

**DECLARATION OF COVENANTS, CONDITIONS  
RESTRICTIONS AND EASEMENTS  
OF  
IRONWOOD AT DEER VALLEY  
A  
UTAH EXPANDABLE CONDOMINIUM PROJECT**

00670585 Br01564 Pa01249-0211  
13118  
BLAN SPRINGS, SUMMIT CO RECORDER  
2003 AUG 27 08:27 AM FEE \$149.00 BY M  
REQUEST: COALITION TITLE

**RECEIVED**  
JUL 29 2003  
PARK CITY  
PLANNING DEPT.

TABLE OF CONTENTS

ARTICLE 1

DEFINITIONS		PAGE
Section 1.01	Additional Land .....	2
Section 1.02	Architectural Committee .....	2
Section 1.03	Articles of Incorporation .....	2
Section 1.04	Assessment .....	2
Section 1.05	Association .....	2
Section 1.06	Board of Trustees .....	2
Section 1.07	Bylaws .....	2
Section 1.08	City .....	2
Section 1.09	Common Area .....	2
Section 1.10	Common Expenses .....	2
Section 1.11	Condominium .....	3
Section 1.12	Condominium Act .....	3
Section 1.13	Declarant .....	3
Section 1.14	Declaration .....	3
Section 1.15	Design Guidelines .....	3
Section 1.16	Development Documents .....	3
Section 1.17	Dwelling .....	3
Section 1.18	Flagstaff Design Guidelines .....	3
Section 1.19	Ironwood At Deer Valley Design Guidelines .....	3
Section 1.20	Limited Common Area .....	3
Section 1.21	Map .....	4
Section 1.22	Mortgage .....	4
Section 1.23	Mortgagee .....	4
Section 1.24	Mortgage Service .....	4
Section 1.25	Owner .....	4
Section 1.26	Project or Development .....	4
Section 1.27	Supplemental Declare .....	4
Section 1.28	Total Votes of the Association .....	4
Section 1.29	Unit .....	4

ARTICLE 2

ASSOCIATION, ADMINISTRATION, MEMBERSHIP  
AND VOTING RIGHTS

Section 2.1	Organization of Association .....	5
Section 2.2	Duties and Powers .....	5
Section 2.3	Membership .....	5
Section 2.4	Transferred Membership .....	5
Section 2.5	Classes of Membership; Voting Requirements .....	5
Section 2.6	Membership Meetings .....	5
Section 2.7	Board of Trustees .....	5
Section 2.8	Use of Agent .....	6

**ARTICLE 3**

**NATURE AND INCIDENTS OF CONDOMINIUM OWNERSHIP AND RIGHTS IN COMMON AREA**

Section 3.1	Ownership of Units	6
Section 3.2	Title	6
Section 3.3	Ownership of Common Areas	6
Section 3.4	Inseparability	6
Section 3.5	No Subdivision	6
Section 3.6	Separate Mortgage by Owners	6
Section 3.7	Separate Taxation	7
Section 3.8	Mechanics Liens	7
Section 3.9	Description of Condominium	7
Section 3.10	Common Area	7
Section 3.11	Extent of Easements	7
Section 3.12	Damage by Member	8

**ARTICLE 4**

**ARCHITECTURAL CONTROL**

Section 4.1	Architectural Committee	8
Section 4.2	Approval by Architectural Committee	9
Section 4.3	Deviation from Guidelines	10
Section 4.4	General Requirements	10
Section 4.5	Plans	10
Section 4.6	Declarant and Architectural Committee Not Liable	10
Section 4.7	Written Records	11
Section 4.8	Limited Extent of Committee Review	11
Section 4.9	Completion Required Before Occupancy	11
Section 4.10	Park City Municipal Corporation Approval	11
Section 4.11	Balconies, Porches, Patios and Decks	11
Section 4.12	Height Limitations	11
Section 4.13	Used or Temporary Structures	12

**ARTICLE 5**

**REPAIR AND MAINTENANCE**

Section 5.1	Repair and Maintenance Rights and Duties of Association	12
Section 5.2	Repair and Maintenance Rights and Duties of Owners	12

**ARTICLE 6**

**ASSOCIATION MAINTENANCE FUNDS AND ASSESSMENTS**

Section 6.1	Creation of the Lien and Personal Obligation of Assessment	12
Section 6.2	Purpose of Assessment	13
Section 6.3	Regular Assessments	13
Section 6.4	Extraordinary Assessments	13
Section 6.5	Special Assessments	14
Section 6.6	Allocation of Assessments	14

Section 6.7	Date of Commencement of Assessment Due Dates	14
Section 6.8	Transfer of Unit by Sale or Foreclosure	14
Section 6.9	Enforcement of Assessment Obligation; Priorities; Discipline	15
Section 6.10	Payment of Taxes Assessed Against Common Area or Personal Property of Association	15

ARTICLE 7

**EASEMENTS**

Section 7.1	Access, Use and Maintenance Easements	15
Section 7.2	Encroachments and Utility Easements	16
Section 7.3	Owner's Rights and Duties With Respect to Utilities	16

ARTICLE 8

**RESIDENCE AND USE RESTRICTIONS**

Section 8.1	Use of Individual Dwellings	17
Section 8.2	Nuisances	17
Section 8.3	Signs	17
Section 8.4	Animals	17
Section 8.5	Garbage and Refuse Disposal	18
Section 8.6	Radio and Television Antennas	18
Section 8.7	Clothes Lines	18
Section 8.8	Power Equipment and Car Maintenance	18
Section 8.9	Window Covers	18
Section 8.10	Flag Poles	18
Section 8.11	Maintenance of Property	18
Section 8.12	No Noxious or Offensive Activity	19
Section 8.13	No Hazardous Activities	19
Section 8.14	No Unsightliness	19
Section 8.15	No Warranty of Enforceability	19

SECTION 9

**INSURANCE**

Section 9.1	Duty to Obtain Insurance; Types	19
Section 9.2	Insurance Policy Requirements	20
Section 9.3	Additional Coverage	20
Section 9.4	Owner's Own Insurance	20
Section 9.5	Review of Insurance	21
Section 9.6	Waiver of Claim Against Association	21
Section 9.7	Notice of Expiration Requirements	21
Section 9.8	Trustee for Policies	21
Section 9.9	Actions as Trustees	21
Section 9.10	Required Waivers	21

ARTICLE 10

**DESTRUCTION OF IMPROVEMENTS**

Section 10.1	Association as Attorney in Fact	22
Section 10.2	Definition of Repair and Reconstruction	22

Section 10.3	Procedures.....	22
Section 10.4	Repair or Reconstruction.....	23
Section 10.5	Disbursement of Funds for Repair and Reconstruction.....	23
Section 10.6	Amendment of Article.....	24
Section 10.7	Damage to Common Area.....	24
Section 10.8	Alternate Plans for Restoration and Repair.....	24
Section 10.9	Appraisal of Damage.....	24

**ARTICLE 11**

**DECLARANT'S RIGHTS AND RESERVATIONS**

Section 11.1	Rights.....	25
Section 11.2	Declarant Subject to Declaration.....	26
Section 11.3	Sale or Transfer by Declarant.....	26
Section 11.4	Option to Expand.....	26
Section 11.5	Declarant Control Period.....	27

**ARTICLE 12**

**RIGHTS OF MORTGAGEES**

Section 12.1	Notices of Action.....	28
Section 12.2	Federal Guidelines.....	28
Section 12.3	No Priority.....	28
Section 12.4	Notice to Association.....	28
Section 12.5	Failure of Mortgage To Reopen.....	28

**ARTICLE 13**

**DURATION AND AMENDMENT**

Section 13.1	Duration.....	29
Section 13.2	Amendment.....	29
Section 13.3	Unilateral Amendment.....	29
Section 13.4	Right of Amendment if Requested by Governmental Agency or Federal Chartered Lending Institutions.....	29

**ARTICLE 14**

**GENERAL PROVISIONS.....**

Section 14.1	Enforcement.....	30
Section 14.2	Invalidity of Any Provision.....	30
Section 14.3	Conflict of Development Documents.....	30

**EXHIBITS**

EXHIBIT "A"	Legal Description of Declarant's Property	
EXHIBIT "B"	Schedule of Units, Approximate Square Footage, Votes and Undivided Interest in Common Areas	

EXHIBIT "C"  
EXHIBIT "D"  
EXHIBIT "E"

Record of Survey Map Ironwood at Deer Valley Phase I  
Articles of Incorporation of Ironwood HOA, Inc.  
Bylaws of Ironwood HOA, Inc.

**DECLARATION OF COVENANTS, CONDITIONS,  
RESTRICTIONS AND EASEMENTS  
OF  
IRONWOOD AT DEER VALLEY  
A  
UTAH EXPANDABLE CONDOMINIUM PROJECT**

This Declaration Of Covenants, Conditions, Restrictions and Easements Of Ironwood At Deer Valley, A Utah Expandable Condominium Project, hereinafter referred to as the "Declaration," is made and executed this \_\_\_\_ day of \_\_\_\_\_, 2003, by IRONWOOD PARTNERS OF UTAH, LLC, a Utah limited liability company, hereinafter referred to as the "Declarant".

**RECITALS**

A. Description of Land. The Declarant is the owner of the parcel of land, which is located in Summit County, State of Utah and described on Exhibit "A" attached hereto (hereinafter referred to as the "Land").

B. Building and Improvements. Certain buildings and other improvements will be constructed on the Land as shown on the Map referred to below.

C. Record of Survey Map. The Declarant intends to execute, acknowledge, and record in the office of the County Recorder of Summit County, State of Utah, a certain record of survey map pertaining to the Project and entitled "Ironwood At Deer Valley Phase I" (the "Map").

D. Intent and Purpose. The Declarant intends by recording this Declaration and the Map to submit the Land, the buildings, and all other improvements situated in or upon the Land to the provisions of the Utah Condominium Ownership act, Utah Code Annotated, Section 57-8-1, et seq. (hereinafter referred to as the "Condominium Act") as a fee simple expandable Condominium Project and to impose upon said property mutually beneficial restrictions under a general plan of improvement for the benefit of all Condominiums within said Project and the Owners thereof.

E. Master Declaration. The Land and Units are also subject to that certain Master Declaration Of Covenants, Conditions And Restrictions Of Flagstaff A Planned Community, dated June 28, 2002 and recorded as Instrument No. 00623450 in Book 01457, Pages 747-832 inclusive in the official records of Summit County, Utah (as the same may be amended from time to time, the "Master Declaration"); and to the extent that any of the provisions contained herein conflict with provisions of the Master Declaration, the Master Declaration shall control.

F. Expansion. The Declarant intends to expand the Development in accordance with Article 11.4, to include additional Units to be located on property described in Exhibit "F" hereto. Such expansion would be accomplished through the recordation of a Supplemental Declaration.

NOW THEREFORE, the foregoing recitals are incorporated herein by reference. Declarant does hereby submit the Land, the buildings, and all other improvements now or hereafter made in or upon the Land to the provisions of the Condominium Act and to this Declaration. All of said property is and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, and improved as a fee simple expandable Condominium Project to be known as IRONWOOD AT DEER VALLEY. All of said property is and shall be subject to the covenants, conditions, restrictions, uses, limitations, and obligations set forth herein, each and all of which are declared and agreed to be for the benefit of said Project and in furtherance of a plan for improvement of said property and division thereof into Condominiums; further, each and all of the provisions hereof shall be deemed to run with the Land and shall be a burden and a benefit on the Land and shall be binding upon the Declarant, its successors and assigns, and to any persons acquiring, leasing, or owning an

interest in the real property and improvements comprising the Project, and to their respective personal representatives, heirs, successors, and assigns. The Project is hereby divided into Condominiums, each such Condominium consisting of a Unit and an appurtenant undivided interest in the Common Areas, as set forth in Exhibit "B" attached hereto.

## ARTICLE I

### DEFINITIONS

Unless the context clearly indicates otherwise, certain terms as used in this Declaration shall have the meanings set forth in this Article I.

1.01 "Additional Land" shall mean the land described on Exhibit "F" hereto, which may be added to the Development in accordance with the provisions of Article 1.4 of this Declaration

1.02 "Architectural Committee" shall mean the Architectural Committee created pursuant to Article 4 of this Declaration.

1.03 "Articles of Incorporation" shall mean the Articles of Incorporation of IRONWOOD HOA, INC., a Utah general nonprofit corporation, attached hereto as Exhibit "D" and incorporated herein by this reference.

1.04 "Assessment" shall mean that portion of the costs of maintaining, improving, repairing, operating, and managing the property which is to be paid by the Unit Owners as determined by the Association under this Declaration. Assessments may be designated as Regular Assessments, Extraordinary Assessments, or Special Assessments, as those terms are more specifically defined in Article 6 of this Declaration.

1.05 "Association" shall mean the IRONWOOD HOA, INC., a Utah nonprofit corporation, organized to be the Association referred to herein.

1.06 "Board of Trustees" shall mean the governing board or management committee of the Association, appointed or elected in accordance with the Declaration and in accordance with the Articles of Incorporation and Bylaws of the Association.

1.07 "Bylaws" shall mean the Bylaws of the Association, as amended from time to time. The initial Bylaws shall be as adopted by the incorporating members of the Board of Trustees.

1.08 "City" shall mean the City of Park City, Utah and Park City Municipal Corporation.

1.09 "Common Area" shall mean all areas and facilities in the Development, except the Units as defined in Section 1.29 below. Consequently, the Common Area includes, without limitation, the Land within the Development, which is hereby submitted to the provisions of the Act; all common areas and facilities as hereinafter described and designated as such on the Map; all limited common area and facilities as hereinafter described and as designated as such on the Map; all Landscaped and planted areas; parking areas; all private roadways and walkways; exterior lighting and storage areas; all utility lines and facilities used by or useful to more than one Unit (and which lines and facilities are not the property of the entity providing the utility service); and all other parts of the Development necessary or convenient to its existence, maintenance and safety.

1.10 "Common Expenses" shall mean the actual and estimated expenses of maintenance, improvement, repair, operation, insurance, and management of the Common Area, maintenance of initial landscaping installed by Declarant in the Development, expenses of administration of the Association, and any reasonable reserve for such purposes as determined by the Board, and all sums designated Common



Expenses by or pursuant to the Development Documents. Without limiting the generality of the foregoing, Common Expenses shall also include: the costs of trash collection and removal; compensation paid by the Association to managers, accountants, attorneys and other employees; the costs of all maintenance, gardening, security and other services benefiting the Common Area; the costs of errors and omissions, and director, officer and agent liability insurance, and other insurance covering the property and the directors, officers and agents of the Association; and any other costs incurred by the Association pursuant to its authority for any reason whatsoever for the common benefit of the Owners. For purposes of defining the respective pro-rata shares of responsibility, each Unit owner shall (except as provided in Article 6 Section 6.3.3 below) pay the same percentage regardless of the size of their specific Unit.

1.11 "Condominium" shall mean a Unit and the undivided interest (expressed as a fraction of the entire ownership interest) in the Common Areas appurtenant to such Unit, as set forth in Exhibit "B" attached hereto and by this reference made a part hereof. The terms "Condominium" and "Condominium Unit" shall all have the same meaning and are used interchangeably in this Declaration.

1.12 "Condominium Act" shall mean the Utah Condominium Ownership Act contained in Title 57, Chapter 8, Utah Code Annotated, as the same may be amended from time to time.

1.13 "Declarant" shall mean IRONWOOD PARTNERS OF UTAH, LLC, a Utah limited liability company, and its successors-in-interest and assigns with respect to the Development, but shall not include members of the public purchasing completed Units.

1.14 "Declaration" shall mean this Declaration Of Covenants, Conditions, Restrictions and Easements Of Ironwood At Deer Valley, A Utah Expandable Condominium Project, as it may be amended from time to time.

1.15 "Design Guidelines" shall mean the Ironwood At Deer Valley Design Guidelines and the Flagstaff Design Guidelines.

1.16 "Development Documents" shall mean this Declaration, the Map, and the Articles and Bylaws of the Association, as each shall be amended from time to time.

1.17 "Dwelling" shall mean the single-family residence to be constructed as each Unit.

1.18 "Flagstaff Design Guidelines" shall mean the architectural design guidelines set forth in the Master Declaration to which the Development is subject

1.19 "Ironwood At Deer Valley Design Guidelines" shall mean the design guidelines set forth in this Declaration, or established by the Declarant or the Architectural Committee from time to time, for the development, improvement, maintenance or alteration of the Units subject hereto. The Ironwood At Deer Valley Design Guidelines may impose, without limitation, restrictions with respect to a Unit's minimum or maximum square footage, building materials used in construction or alteration of improvements, architectural standards and other related matters. There is no assurance that such Ironwood At Deer Valley Design Guidelines will not change from time to time, and they may change with respect to unsold Units subject to this Declaration after one or more other such Units have been sold by Declarant.

1.20 "Limited Common Area" shall mean any portion of the Common Areas reserved for the use of certain Owners to the exclusion of other Owners, including but not limited to any porches, balconies, patios, driveways serving a particular Unit, walkways, storage closets, decks, hallways, corridors, and parking areas as indicated by the Declaration, the Map or the Act to be for the exclusive use of one or more but fewer than all of the Units. Mechanical systems serving only Units shall be Limited Common Areas with respect to the Units which they serve. The Limited Common Areas shall be those areas designated as such on the Map, in this Declaration or as provided for by the Act. The use and occupancy of designated Limited Common Areas shall be reserved to the Units as shown on the Map or

as specified in this Declaration. Owners may not reallocate Limited Common Areas between or among Units in which they have an interest.

1.21 "Map" shall mean the Record of Survey Map for the Development, recorded or to be recorded in the office of the County Recorder of Summit County, State of Utah, as the same may be amended from time to time. A reduced version of the Map is attached hereto as Exhibit "C" and incorporated herein by this reference.

1.22 "Mortgage" shall mean any mortgage, trust deed, or other security instrument by which a Condominium or any part thereof is encumbered.

1.23 "Mortgagee" shall mean (i) any persons named as the mortgagee or beneficiary under any Mortgage by which the interest of any Owner is encumbered, or (ii) any successor to the interest of such person under such Mortgage.

1.24 "Mortgage Service" shall mean a Mortgagee who services any Mortgage on any individual Condominium Unit in the Development.

1.25 "Owner" shall mean the person or persons, including the Declarant, owning in fee simple, a Condominium in the Development, as such ownership is shown by the records of the County Recorder of Summit County, State of Utah. The term "Owner" shall not refer to any Mortgagee (unless such Mortgagee has acquired title for other than security purposes) or to any person or persons purchasing a Condominium under contract (until such contract is fully performed and legal title conveyed of record).

1.26 "Project" or "Development" shall mean the Land, the buildings, and all improvements submitted by this Declaration and the Map to the provisions of the Condominium Act.

1.27 "Supplemental Declaration" shall mean a recorded instrument which subjects additional property to this Declaration, identifies Common Area and Limited Common Area, designates voting groups, and/or imposes additional restrictions and obligations on the land described herein.

1.28 "Total Votes of the Association" shall mean the total number of votes appertaining to all Condominiums in the Project.

1.29 "Unit" shall mean and refer to an individual portion of the Development designated as a Unit on the Map. A Unit shall not consist of: (i) the exterior covering of the roof (meaning mat and shingles); (ii) the exterior walls; (iii) the Land on which the townhouse building is located; and (iv) any balconies, porches, parking stalls, driveways, sidewalks, or storage facilities that are identified on the Map with the same number or other designation by which a Unit is identified or is (in the case of balconies) adjacent to the Unit. For purposes of this Declaration, items 1.29(b)(i), (ii) and (iii) shall constitute Common Areas as defined in Section 1.09 above, and item 1.29(b)(iv) shall constitute Limited Common Area as defined in Section 1.20 above. All other portions of the entire townhouse building, including but not limited to, all heating and cooling fixtures, systems and equipment; all plumbing and electrical fixtures, systems and equipment; all rooms occupying part of a townhouse building; all walls, floors, ceilings, windows and doors; all fixtures and improvements; all paint, wall, ceiling, and permanently installed floor coverings; all bearing walls, foundations, ceiling equipment, tanks, pumps, pipes, vents, ducts, shafts, flues, chutes, conduits and wires, shall constitute part of the respective Unit. Each owner acquiring a Unit in the Development shall have fee title to and exclusive right to the use and occupancy of the Unit.

ARTICLE 2

ASSOCIATION, ADMINISTRATION,  
MEMBERSHIP AND VOTING RIGHTS

2.1 Organization of Association.

The Association is or shall be incorporated under the name of IRONWOOD HOA, INC., in accordance with the requirements of the Utah Revised Nonprofit Corporation Act.

2.2 Duties and Powers.

The duties and powers of the Association are those set forth in this Declaration, the Articles and Bylaws. Those duties and powers include the general and implied powers of a non-profit corporation organized under the laws of the State of Utah, to engage in those activities which are necessary or proper for the peace, health, comfort, safety and general welfare of its members. Those duties and powers are however subject to the limitations upon the exercise of such powers as are expressly set forth in this Declaration, the Articles and Bylaws.

2.3 Membership.

The Owner of a Condominium shall automatically, upon becoming the Owner of that Condominium, be a member of the Association, and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership shall be in accordance with the Articles and Bylaws of the Association.

2.4 Transferred Membership.

Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Condominium to which it is appurtenant, and then only to the new Owner. Any attempt to make a prohibited transfer is void. In the event the Owner of any Condominium should fail or refuse to transfer the membership registered in his name to the purchaser of his Condominium, the Association shall have the right to record the transfer upon its books; thereupon, the old membership outstanding in the name of the seller shall be null and void.

2.5 Classes of Membership; Voting Requirements.

The Association shall have two (2) classes of voting membership established according to the Articles. Voting rights shall be as set forth in the Bylaws.

2.6 Membership Meetings.

Regular and special meetings of members of the Association shall be held with the frequency, at the time and place, and in accordance with the provisions of the Bylaws of the Association.

2.7 Board of Trustees.

The affairs of the Association shall be managed by a Board of Trustees. The Board shall be established and shall conduct meetings according to the provisions of the Bylaws of the Association.

2.8 Use of Agent.

The Board of Trustees, on behalf of the Association, may contract with a professional management agent for the performance of maintenance and repair and for conducting other activities on behalf of the Association, as may be determined by the Board. The term of any such contract shall comply with the restrictions set forth in the Bylaws.

ARTICLE 3

NATURE AND INCIDENTS OF CONDOMINIUM OWNERSHIP  
AND  
RIGHTS IN COMMON AREA

3.1 Ownership of Units. Subject to the terms and provisions of this Declaration, each Owner shall have the fee title to and exclusive right to the use and occupancy of his Unit.

3.2 Title. Title to a Unit within the Development may be held or owned by any person or entity, or any combination thereof, and in any manner in which title to any other real property may be held or owned in the State of Utah. This includes without limitation, joint tenancy or tenancy in common. Provided, however, title to a Unit within the Development shall not, under any circumstances, be separated into timeshare or time interval ownership.

3.3 Ownership of Common Areas. Except as otherwise provided in this Declaration, or in the Condominium Act, the appurtenant interest in the Common Areas attributable to each Unit (as shown in Exhibit "B" to this Declaration), shall have a permanent character and shall not be altered without the written consent of two-thirds of the Owners expressed in an amendment to this Declaration. Such amendment shall be duly recorded in the office of the Summit County Recorder. Except as otherwise provided in this Declaration, any Owner shall be entitled to non-exclusive use of the Common Areas (other than Limited Common Areas) in any manner that does not hinder or encroach upon the rights of other Owners, and is not contrary to any rules and regulations promulgated by the Association. Except as otherwise provided in this Declaration, any Owner shall have the exclusive right to use and enjoy any Limited Common Area that may be designated on the Map for exclusive use by such Owner.

3.4 Inseparability. Title to any part of a Condominium within the Development may not be separated from any other part thereof during the period of condominium ownership hereunder, and each Unit and the undivided interest in the Common Areas appurtenant to each Unit shall always be conveyed, devised, encumbered, and otherwise affected only as a complete Condominium. Every devise, encumbrance, conveyance, or other disposition of a Condominium, or any part thereof, shall be construed to be a devise, encumbrance, conveyance, or other disposition, respectively, of the entire Condominium, together with all appurtenant rights created by law or by this Declaration, including appurtenant membership in the Association as set forth in Article 2.

3.5 No Subdivision. No Unit or portion thereof may be divided or subdivided or a fractional portion thereof sold or conveyed so as to be held in divided ownership. Under no circumstances shall interest in a Unit be divided into, leased, sold, conveyed or used as time periods or intervals or sold or conveyed to owners or holders for use on a timeshare basis.

3.6 Separate Mortgages by Owners. Each Owner shall have the right separately to mortgage or otherwise encumber his Condominium. No Owner shall attempt, or shall have the right, to mortgage or otherwise encumber the Common Areas or any part thereof, except the undivided interest therein appurtenant to his Condominium. Except as provided in Article 12 hereof, any mortgage or other encumbrance of any Condominium within the Development shall be subordinate to all of the provisions of this Declaration. In the event of foreclosure, the provisions of this Declaration shall be binding upon any Owner whose title is derived through foreclosure by private power of sale, judicial foreclosure, or

otherwise.

3.7 Separate Taxation. Each Condominium within the Development, including each Unit and appurtenant undivided interest in the Common Areas, shall be deemed to be a parcel, and shall be assessed separately for all taxes, assessments, and other charges of the State of Utah. This includes any political subdivisions, special improvement districts, special service districts, and any other taxing or assessing authorities. For purposes of such assessment, the valuation of the Common Areas shall be apportioned among the Units in proportion to the undivided interests in Common Areas appurtenant to such Units. All such taxes, assessments, and other charges on each respective Condominium shall be separately levied against the Owner thereof. No forfeiture or sale of any Condominium for delinquent taxes, assessments, or other governmental charges shall divest or in any way affect the title to any other Condominium.

3.8 Mechanic's Liens. No labor performed or material furnished for use in connection with any Unit with the consent or at the request of an Owner or his agent or subcontractor shall create any right to file a statement of mechanic's lien against the Unit of any other Owner not expressly consenting to or requesting the same, or against any interest in the Common Areas, except the undivided interest therein appurtenant to the Unit of the Owner for whom such labor shall have been performed and such materials shall have been furnished.

3.9 Description of Condominium. Every contract for the sale of a Condominium and every other instrument affecting title to a Condominium within the Development may describe a Unit by its identifying number or symbol as indicated in this Declaration or as shown on the Map. Such description will be construed to describe the Unit, together with the appurtenant undivided interest in the Common Areas, and to incorporate all the rights incident to ownership of a Condominium within the Development and all of the limitations on such ownership as described in this Declaration and/or the Articles of Incorporation and Bylaws of the Association.

3.10 Common Area. The Common Area shall be owned by the Association for the common use and enjoyment of all Owners. The Common Area shall be operated, maintained, and insured by the Association for the use and benefit of Owners of Units in the Development, subject to reasonable rules and regulations enacted according to the Bylaws. Each Unit Owner, through membership in the Association, shall have a non-exclusive right to use the Common Area in accordance with the purposes for which it is intended without hindering the exercise of or encroaching upon the lawful rights of any other Unit Owners. This right includes, but is not limited to, the right to access the Development by ski through any portion of the Development designated as Common Area. Notwithstanding the transfer of the Common Area to the Association, the Declarant shall reserve and hereby reserves in itself and its successors-in-interest and assigns, an easement (and the right to grant further easements) over and onto the Common Area for ingress to and egress from the Development for the purpose of necessary construction, maintenance, or repair work.

3.11 Extent of Easements. The rights and easements of use and enjoyment of the Common Area created by this Declaration shall be subject to such rules and regulations as may be adopted by the Board of Trustees according to the Bylaws. Without limiting the generality of the Board's authority to enact reasonable rules and regulations, such easements shall be subject to the following:

3.11.1 The right of the Board to suspend the rights and easement of any Owner, and the persons deriving such rights and easements from any Owner, for use and enjoyment of any portion of the Common Area, for any period during which the payment of any Assessment against the Owner and his Unit remains delinquent; provided, however, that any suspension for either nonpayment of any assessment, or breach of any provision in the Development Documents, shall not constitute a waiver or discharge of the Owner's obligation to pay Assessments as provided in this Declaration;

3.11.2 The right of the Association to consent to or otherwise cause the construction of

additional improvements on the Common Area and to consent to or otherwise cause the alteration or removal or any existing improvements on the Common Area for the benefit of the Owners of the Association; and

3.11.3 The right of the Association, acting through the Board, to consent to or join in the grant or conveyance of easements, licenses or rights-of-way in, on, or over the Common Area, for purposes not inconsistent with the intended use of the Development as a residential townhome development.

3.11.4 Declarant reserves the right to obtain water and electricity from any Unit for the purpose of watering, sprinkling, or lighting the Common Area. Said unit owner will be reimbursed for such usage and charges through the Association's budget.

3.12 Damage by Member. Individual Owners shall be liable to the Association for any damage to the Common Area not fully reimbursed to the Association by insurance, if the damage is sustained because of the negligence or willful misconduct of the Owner, his guests, tenants, or invitees, or any other persons deriving their right and easement of use and enjoyment of the Common Area from the Owner, or his or their respective family and guests, both minor and adult. However, the Association, acting through the Board, reserves the right to determine whether any claim shall be made upon the insurance maintained by the Association. The Association further reserves the right to levy a Special Assessment equal to the increase, if any, in insurance premiums directly attributable to the damage caused by the Owner or the person for whom the Owner may be liable as described above. The cost of correcting the damage to the extent not reimbursed to the Association by insurance shall be a Special Assessment against the Unit and may be enforced as provided hereby for the enforcement of any other Assessment.

#### ARTICLE 4

##### Architectural Control

###### 4.1 Architectural Committee.

4.1.1 The Architectural Committee shall consist of three (3) members. Said Architectural Committee shall have and exercise all of the powers, duties and responsibilities set out in this instrument.

4.1.2 The Committee shall initially consist of members selected by the Declarant. At such time as 90% of the Units in the Development are sold or in five years following the date hereof, whichever comes later, all members of the Committee shall be selected by Owners of the Units at meetings called for that purpose. At the first annual meeting held after the Declarant turns over to the Unit Owners responsibility for selecting members of the Architectural Committee, the Owners shall elect members for the following terms: one (1) member to serve for a term of three (3) years; one (1) member to serve for a term of two (2) years; and one (1) member to serve for a term of one (1) year. At each annual meeting thereafter, new committee members shall be elected for three (3) year terms to fill any vacancies.

4.1.3 In elections for members of the Architectural Committee, or any other matter presented to a vote of the Owners, each Owner shall be entitled to one vote for each Unit which is owned by said Owner. When more than one person holds such interest in any Unit, all such co-owners shall be Owners and may attend any meetings of the Owners, but only one such co-owner shall be entitled to exercise the votes to which the Unit is entitled. Such co-owners may from time to time all designate in writing one among them to vote. The vote for each Unit shall be exercised, if at all, as a unit. Where no voting co-owner is designated, or if such designation has been revoked, the votes for such Unit shall be exercised as the majority of the co-owners of the Unit mutually agree. Unless a written objection from a co-owner is delivered at the meeting, it shall be presumed that the voting co-owner is acting with the

consent of his or her co-owners. No votes shall be cast for any Unit where the majority of the co-owners present in person or by proxy and representing such Unit cannot reach a majority agreement with respect to said votes or other action. The non-voting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned Unit and shall be entitled to all other benefits of ownership.

4.1.4 Written notice of any meeting called for the purpose of electing members of the Architectural Committee or taking any action by the Owners shall be sent to all Owners not less than ten (10) days, nor more than sixty (60) days, in advance of the meeting. At the first such meeting called, the presence of the Owners, in person or by proxy, of fifty-one percent (51%) of the Units shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be the Owners of twenty-five percent (25%) of the Units. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting. Each member of the Association entitled to vote who is present, in person or by proxy, at any meeting of the Owners at which a quorum is present shall be entitled to cast one vote for each Architectural committee position up for vote, and the individual or individuals receiving the most votes shall be elected to Architectural Committee positions up for election.

4.1.5 To the extent there is any conflict between the voting requirements of Article 4 of this Declaration and Article 2 of the Bylaws ("Exhibit "E"), the requirements of the Bylaws shall control.

#### 4.2 Approval by Architectural Committee.

4.2.1 No buildings, structures or improvements shall be placed, erected, altered or permitted to remain on the Land other than the residential improvements and related non-residential structures and improvements shown on the Map as the same may be amended from time to time. All improvements of any kind to the Land or any of the Units, shall be designed and erected in conformity with the requirements of: (i) the "Ironwood At Deer Valley Design Guidelines" as set forth herein; (ii) the Flagstaff Design Guidelines as defined in subsection 1.18 of Article 1 above; and (iii) any municipal or quasi municipal entity with jurisdiction and oversight over such improvements.

4.2.2 No improvements of any kind, including, but not limited to residential Dwellings, garages, decks, patios, driveways, antennae, curbs, and walks shall ever be erected, altered, or permitted to remain on the Land within the Development, nor shall any excavating, clearing, removal of trees, or shrubs, or landscaping be done on any Land within the Development (including Units), unless the complete plans and specifications therefore, are approved by the Declarant (if less than 90% of the Units have been conveyed by the Declarant) and by the Architectural Committee prior to the commencement of such work.

4.2.3 A fee of \$300.00 shall be paid to the Architectural Committee to cover costs and expenses of review. Improvements to be made after the initial improvements which will cost less than \$500.00, shall be submitted as directed to Declarant (if applicable) and the Architectural Committee for approval but the fee of \$300.00 shall not be required.

4.2.4 The Declarant and the Architectural Committee shall consider the materials to be used on the external features of said buildings or structures, including: (i) exterior colors; (ii) harmony of external design with existing structures within the Development; (iii) the building bulk or mass of said buildings or structures; (iv) the location with respect to topography, existing trees and finished grade elevations; and (v) the harmony of the landscaping with the natural setting and surroundings. The Architectural Committee shall also ascertain whether the architecture conforms to the Design Guidelines.

4.2.5 The complete architectural plans and specifications must be submitted in quadruplicate and must include at least four different elevation views. One complete copy of the plans

and specifications shall be signed for identification by the Owner and left with the Architectural Committee.

4.2.6 In the event that either Declarant (if applicable) or the Architectural Committee fails to take any action within 45 days after complete plans for such work have been submitted to them, then all of such submitted plans shall be deemed to be approved.

#### 4.3 Deviation from Guidelines.

The Declarant and the Architectural Committee have the authority to deviate from the requirements contained herein in extenuating circumstances, when following these covenants would create an unreasonable hardship or burden for an Owner. An affirmative vote of Declarant and of two-thirds (2/3) of the members of the Architectural Committee must be gained for a deviation to be granted. The Declarant and the Architectural Committee do not, however, have authority to allow variances from the requirements of the Park City Land Management Code.

#### 4.4 General Requirements.

The Declarant and Architectural Committee shall exercise their best judgment to see that all improvements, construction, landscaping, and alterations on the Land within the Development conform and harmonize with the natural surroundings and with existing structures as to external design, materials, color, siting, height, topography, grade and finished grade elevation in keeping with the Design Guidelines. The Architectural Committee may, in its discretion, retain the services of a licensed architect to assist the Architectural Committee in the performance of its duties as required under this Article 4 inclusive.

#### 4.5 Plans.

The Declarant and Architectural Committee shall disapprove any plans submitted to it, which are not sufficient for it to exercise the judgment required of it by these covenants. The following items must be included for complete plan review:

4.5.1 Preliminary sketch (optional) in duplicate.

4.5.2 Complete Architectural plans and specifications in quadruplicate.

4.5.3 Plan Review Fee of Three Hundred Dollars (\$300.00).

#### 4.6 Declarant and Architectural Committee Not Liable.

The Declarant and Architectural Committee shall not be liable for damages to any person submitting any plans for approval, or to any Owner or Owners of Units, by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove, with regard to such plans and specifications. Neither the Declarant, the Architectural Committee nor any member thereof, nor their duly authorized representative, shall be liable to any Owner for any loss, damage, or injury arising out of, or in any way connected with, the performance of the Declarant's or the Architectural Committee's duties hereunder, unless due to the willful misconduct or bad faith of the Declarant or the Architectural Committee. Any person or group acquiring the title to any Unit in the Development, or any person submitting plans to the Declarant or the Architectural Committee for approval, by so doing shall be deemed to have agreed and covenanted that he, she, or they will not bring any action or suit to recover damages against the Declarant or the Architectural Committee, its members as individuals, or its advisors, employees, or agents.

#### 4.7 Written Records.

The Declarant and the Architectural Committee shall keep and safeguard, complete records of all



applications for approval submitted to them (including one set of all preliminary sketches and all architectural plans so submitted) and all actions of approval or disapproval, and all other actions taken by it under the provisions of this instrument. Such records shall be maintained for a minimum of five years after approval or disapproval.

#### 4.8 Limited Extent of Committee Review

The Architectural Committee and the Declarant shall review and approve or disapprove all plans submitted to them for any proposed improvement, alteration or addition, solely on the basis of aesthetic considerations and the overall benefit or detriment that would result on the immediate vicinity and the Development generally. The Architectural Committee and the Declarant shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall their approval of any plan or design be deemed the approval of any plan or design from the standpoint of structural safety, or conformance with building or other codes.

#### 4.9 Completion Required Before Occupancy.

No Unit within the Development shall be occupied until and unless the Unit has been completed in accordance with, and complied with, all approved plans and specifications and temporary certificate of occupancy or a certificate of occupancy or the equivalent has been issued by Park City Municipal Corporation.

#### 4.10 Park City Municipal Corporation Approval.

In addition to compliance with the Design Guidelines, the requirements of Park City Municipal Corporation as may exist from time to time with respect to the Development must be complied with. To the extent there is a conflict between the requirements of the Ironwood At Deer Valley Design Guidelines, the Flagstaff Design Guidelines and the requirements of Park City Municipal Corporation, the more restrictive requirements shall apply.

#### 4.11 Balconies, Porches, Patios and Decks.

Improvements or alterations with respect to balconies, porches, patios and decks shall be allowed on a case by case basis, only with the prior written consent of the Architectural Committee. Plans for balconies, porches, patios and decks, or alterations or improvements thereto, shall be submitted in accordance with the requirements of this Article 4. As Limited Common Area, no Unit Owner, guest, invitee, or tenant of a Unit Owner shall have any right to occupy the Limited Common Area balcony, porch, patio or deck of any other Unit Owner in the Development. Provided however, unlike driveways, which are also treated as Limited Common Area, the Association shall expressly have no responsibility for maintenance of any balconies, porches, patios or decks located within the Development. Maintenance of the respective balconies, porches, patios and decks shall be the exclusive responsibility of the respective Owner.

#### 4.12 Height Limitations.

No improvements or appendages to any existing improvements shall be erected to a height greater than 28 feet (33 feet for pitched roof buildings), measured from natural or unmodified grade at the building site without the consent of the Architectural Committee and Park City Municipal Corporation.

#### 4.13 Used or Temporary Structures.

No used or previously erected or temporary house, structure, house trailer, mobile home, camper, or non-permanent outbuilding shall ever be placed, erected, or allowed to remain on the Land except

during construction periods, and then only with the approval of the Architectural Committee.

## ARTICLE 5

### REPAIR AND MAINTENANCE

#### 5.1 Repair and Maintenance Rights and Duties of Association.

Subject to the provisions in this Declaration pertaining to eminent domain and destruction of improvements, the Association shall maintain, repair and replace the Common Area and all improvements and landscaping thereon (including the initial landscaping installed by the Declarant on the Units), or shall contract for such maintenance, repair and replacement to assure maintenance of such areas in good condition. However, the Association shall not be responsible for, or obligated to perform those items of maintenance, repair or improvement that are the responsibility of the Owners as provided in Subsection 5.2 below. In the event an Owner fails to maintain his Unit, or fails to provide other maintenance or repair as provided herein in a manner which the Board deems necessary to preserve the appearance and value of the Development, the Board may notify the Owner of the work required and request, in writing, that it be done, subject to reasonable constraints caused by inclement weather, within sixty (60) days from the giving of such notice. In the event the Owner fails to carry out such maintenance within such period, the Board may cause such work to be done and may specially assess the cost thereof to such Owner, and, if necessary, lien the Owner's Unit for the amount thereof.

#### 5.2 Repair and Maintenance Rights and Duties of Owners.

(a) Except as provided in Section 5.2(b) below, the Association shall be responsible to maintain and repair the entire exterior of each Unit, including roofs, walls, foundations, etc., keeping the same in good condition.

(b) Each Owner shall maintain, repair and replace as necessary, all doors and windows (and appurtenant hardware and accessories) to his Unit, and any separate air conditioning, water heating, or other separate utility fixture and equipment that services his Unit. Each Owner shall have the exclusive right and discretion to paint, plaster, panel, tile, wax, paper or otherwise refinish and decorate the inner surfaces of the walls, ceilings, floors, windows and doors bounding his Unit.

## ARTICLE 6

### ASSOCIATION MAINTENANCE FUNDS AND ASSESSMENTS

#### 6.1 Creation of the Lien and Personal Obligation of Assessments.

The Declarant, for each Unit owned within the Development hereby covenants, and each Owner of any Unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association the following Assessments, which shall be established and collected as provided herein and in the Bylaws of the Association:

6.1.1 Regular Assessments;

6.1.2 Extraordinary Assessments;

6.1.3 Special Assessments.

All Assessments, together with interest, costs, penalties, and actual attorneys' fees, shall be a charge and a continuing lien upon the Unit against which each Assessment is made. Each such Assessment, together with interest, costs, penalties, and actual attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Unit at the time when the Assessment fell due. No

Owner of a Unit may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Area or by the abandonment of his Unit.

## 6.2 Purpose of Assessment.

The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of all the residents in the Development, for the improvement and maintenance of the Common Area, and for the common good of the Development. The Regular Assessments shall include an adequate reserve fund for maintenance, repairs and replacement of those portions of the Common Area that must be repaired or replaced on a periodic basis.

## 6.3 Regular Assessments.

6.3.1 Until Declarant has sold 90% of the Units in the Development, the annual maximum Regular Assessment per Unit shall be such amount as is set forth in the Development budget prepared by Declarant, payable in monthly installments. Each Unit's share for the first fiscal year shall also be prorated based on the number of months remaining in that fiscal year. Thereafter, the Board shall determine and fix the amount of the maximum annual Regular Assessment against each Unit at least sixty (60) days in advance of the start of each fiscal year; provided, however, that the maximum annual Regular Assessment may not be increased by more than twenty percent (20%) above the maximum annual Regular Assessment for the immediately preceding fiscal year, without the vote or written assent of at least seventy-five percent (75%) of the voting power of the Association.

6.3.2 As a standard Regular Assessment budget item, the Declarant and the Board shall include in the annual budget, a private roadway reserve account assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair and/or resurfacing of private roads and driveways within the Development. In the event the Regular Assessment for the roadway reserve is inadequate to meet the needs of a repair and/or resurfacing, the Board may, as provided below, levy such additional Extraordinary or Special Assessments as are needed to properly maintain the private roads and driveways in a high quality state of repair.

6.3.3 As an additional standard Regular Assessment budget item, the Board shall include in its annual budget, a separate reserve account assessment for the purpose of defraying, in whole or in part, the cost of repairing, maintaining and replacing the exterior of the Units, including the roof, walls and foundation. The Board shall consult periodically with painting, roofing and other contractors, for the purpose of evaluating the condition and anticipated longevity of the exterior of the Units. The reserve account for the repair, maintenance and replacement of the exterior of the Units shall take into account the annualized budget assessment needed in order to meet the periodic repair, maintenance and replacement costs estimated by the painting, roofing and other contractors. In the event the Regular Assessment for the repair, maintenance and replacement of the exterior of the Units is inadequate to meet the specific needs of a repair, maintenance and/or replacement, the Board may, as provided below, levy such additional Extraordinary or Special Assessments as are needed to properly repair, maintain and replace the exterior of the Units.

## 6.4 Extraordinary Assessments.

In addition to the Regular Assessments authorized above, the Board may levy in any fiscal year, an Extraordinary Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including resurfacing of any private roads, driveways or walkways in the Development, or to defray any unanticipated or underestimated expense not covered by the Regular Assessment and, where necessary, for taxes assessed against the Common Area, provided, however, that, except for Extraordinary Assessments for taxes or similar municipal assessments, the aggregate Extraordinary Assessments for any fiscal year shall not exceed ten percent (10%) of the budgeted gross

expenses of the Association (excluding reserves) for that fiscal year, without the vote or written assent of seventy-five percent (75%) of the voting power of the Association.

6.5 Special Assessment.

In addition to the Regular Assessments and Extraordinary Assessments authorized above, the Board may levy Special Assessments (without limitation as to amount or frequency) against an individual Unit and its Owner to reimburse the Association for costs incurred in bringing that Owner and his Unit into compliance with the provisions of this Declaration and the Bylaws, including actual attorneys' fees and costs, or to reimburse the Association for costs and expenses to the Association arising from the negligence or willful misconduct of a Unit Owner, including actual attorneys' fees and costs. Each Owner agrees to pay a one time initial Special Assessment in the amount of \$ 3,000.00 to fund the initial capitalization of the Association and to create a capital reserve. Notwithstanding any language in this Declaration, in the Articles of Incorporation, or in the Bylaws to the contrary, this one time Special Assessment shall be exempt from the substantive and procedural requirements for establishment of Special Assessments. This one time Special Assessment shall become due upon the initial closing of each Unit in the Development.

6.6 Allocation of Assessments.

Each of the Units, including any Units owned by Declarant, shall be assessed at the same rate regardless of the size of the townhouse Unit.

6.7 Date of Commencement of Assessment; Due Dates.

The Regular Assessments provided for herein shall commence for each Unit in the Development on the first day of the month following closing of the sale of the Unit. The Regular Assessment for any partial month preceding such date shall be prorated and paid at closing. Due dates for Regular Assessments shall be the first day of every calendar month. No notice of such Assessment shall be required other than an annual notice setting forth the amount of the monthly Regular Assessment for the upcoming fiscal year.

6.8 Transfer of Unit by Sale or Foreclosure.

The sale or transfer of any Unit shall not affect any Assessment lien, or relieve the Unit or its former owner from any liability therefor, whether the lien pertains to payments becoming due prior or subsequent to such sale or transfer. Notwithstanding the foregoing, the sale or transfer of any Unit pursuant to foreclosure or by deed in lieu of foreclosure of a recorded Mortgage given in good faith and for value shall extinguish the lien of all such Assessments as to payments which became due prior to such sale or transfer (except for Assessment liens arising prior to the recordation of the Mortgage). Sale or transfer pursuant to mortgage foreclosure shall not, however, affect the personal liability of the Owner for unpaid Assessments. Any Assessments for which the liens are extinguished pursuant to this Section shall be deemed to be Common Expenses collectible from all of the Units including the Unit for which the lien was extinguished. In a voluntary conveyance of a Unit, the grantee of the same shall be jointly and severally liable with the grantor for all unpaid Assessments by the Association against the latter up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the Board, setting forth the amount of the unpaid Assessments owed to the Association, and such grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid Assessments made by the Association against the grantor in excess of the amount set forth in the statement; provided, however, the grantee shall be liable for any such Assessment becoming due after the date of any statement.

6.9 Enforcement of Assessment Obligations, Priorities, Discipline.

If any part of any Assessment is not paid and received by the Association or its designated agent within ten (10) days after the due date, an automatic late charge of Fifty Dollars (\$50.00) shall be assessed and additional Ten Dollar (\$10.00) sums shall be assessed for each month or fraction thereof from the due date until the Assessment and all late charges are paid. Each unpaid Assessment shall constitute a lien on each respective Unit prior and superior to all other liens except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any Mortgage of record made in good faith and for value. Such lien, when delinquent, may be enforced by sale by the Association, its attorney or other person authorized by this Declaration or by law to make the sale, after failure of the Owner to pay such Assessment, in accordance with the provisions of Utah law applicable to the exercise of powers of sale in deeds of trust or by judicial foreclosure as a mortgage, or in any other manner permitted by law. The Association, acting on behalf of the Units' Owners, shall have the power to bid for the Unit at the foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. The foreclosing party shall have the right to reduce or eliminate any redemption rights of the defaulting Owner as allowed by law. Suit to recover a money judgment for unpaid Assessments, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties including actual attorneys' fees and costs, and may temporarily suspend the Association membership rights of a Unit Owner who is in default in payment of any Assessment, after notice and hearing according to the Bylaws. In the event that the Unit for which the assessment is delinquent is occupied by a renter, the Association may collect the amounts owed for such delinquent assessment directly from the rent which is otherwise payable by the Tenant to the Owner, which amount may in turn be offset by Tenant against rent owed to the Unit Owner to the extent permissible by law.

6.10 Payment of Taxes Assessed Against Common Area or Personal Property of Association.

In the event that any taxes are assessed against the Common Area, or the personal property of the Association, rather than against the Units, said taxes shall be included in the Regular Assessments made under the provisions of this Article, and, if necessary, an Extraordinary Assessment may be levied against the Units in an amount equal to said taxes (regardless of the limitation on Extraordinary Assessments set forth in Paragraph 6.4 above).

ARTICLE 7

EASEMENTS

7.1 Access, Use and Maintenance Easements.

7.1.1 Declarant expressly reserves for the benefit of itself and the Owners, reciprocal, non-exclusive easements for access, ingress and egress over all of the Common Area (exclusive of Limited Common Area), which easements shall be deemed granted by Declarant to the Owners and to the Association for so long as Declarant owns any interest in the Development. Subject to the provisions of this Declaration governing use and enjoyment thereof, the easements may be used by Declarant, its successors, purchasers and all Owners, their guests, tenants and invitees, residing on or temporarily visiting the Development, for walkways, vehicular access, ski access to the Development, and such other purposes reasonably necessary for use and enjoyment of a Unit in the Development. Provided however, access over the Common Area or Units by any form of recreational vehicles is strictly prohibited.

7.1.2 Declarant also expressly reserves for the benefit of the Board of Trustees and all agents, officers and employees of the Association, non-exclusive easements over the Common Area (including the Limited Common Area) and all Units and Dwellings as necessary to maintain and repair the Common Area, and to perform all other tasks in accordance with the provisions of this Declaration. Such

easements over the Common Area shall be appurtenant to, binding upon and shall pass with the title to every Unit conveyed.

7.1.3 Notwithstanding any language in this Declaration to the contrary, Declarant expressly reserves for the benefit of itself and its successors-in-interest and assigns, including the Association, easements over and under the entire Development, together with the right to grant and transfer the same for the installation, repair, and maintenance of sanitary sewer, water, electric, gas, telephone, television, and other utility lines and services, and for any other purpose reasonably appropriate to construct and service the Development. Such easement reservation to Declarant and its heirs successors and assigns, shall, upon completion of the Development, be transferred by Declarant or its heirs, successors, or assigns, to the Association for the benefit of its members.

## 7.2 Encroachments and Utility Easements.

7.2.1 Each Unit within the Development is hereby declared to have an easement over all adjoining Units and the Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of any building, or any other cause. There shall be valid easements for the maintenance of said encroachments as long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment, settlement or shifting; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful misconduct of said Owner or Owners. In the event a structure is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Unit agree that minor encroachments over adjoining Units or Common Area shall be permitted and that there shall be a valid easement for the maintenance of said encroachments so long as they shall exist.

7.2.2 Each Unit within the Development is hereby declared to have an easement over the Common Area and Additional Land for the purpose of installing and maintaining utility lines and services necessary to the development and occupancy of such Unit; provided however, that the Board of Trustees, or Declarant as applicable, shall have the sole discretion to determine the location and scope of such easement, so long as the location and scope of the easement are reasonably suitable for the installation or maintenance of the utility for which the easement is granted.

## 7.3 Owners' Rights and Duties With Respect to Utilities.

The rights and duties of the Owners of Units within the Development with respect to utilities shall be as follows:

7.3.1 Except as provided in Section 7.3.2 below, the responsibility for maintenance and repair of that portion of sanitary sewer, water, electric, gas, telephone service lines and connections, and television receiving lines and connections located within a Unit (and where such utility service lines located within that Unit serve only that Unit) shall be the sole and exclusive responsibility of the Owner of that Unit.

7.3.2 Whenever sanitary sewer, water, electric, gas, telephone service lines and connections, and television receiving lines and connections are located within a Unit, but such utility service lines located within that Unit (referred to as the "Encumbered Unit") also serve other Units (referred to as the "Benefited Units"), then, in the event access, repair, or maintenance of such utility service lines or connections is required, the Owners of Benefited Units shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter in, on, upon, or below, the Encumbered Unit, or to have the utility companies enter upon the Encumbered Unit, to repair, replace, and generally maintain said connections as and when necessary. Provided however, the Owner of the Benefited Unit, who requires the access to Encumbered Unit shall be responsible for all costs associated with such access, including restoring the Encumbered Unit to the condition it was in prior to the commencement of the work.

7.3.3 In the event of a dispute between Owners with respect to the repair or rebuilding of said connections, or with respect to the sharing of the cost thereof, then, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to the Board, which shall decide the dispute, and the decision of the Board shall be final and conclusively binding on the parties.

## ARTICLE 8

### RESIDENCE AND USE RESTRICTIONS

In addition to all of the covenants contained herein, the use of the Development and each Unit therein is subject to the following:

#### 8.1 Use of Individual Dwellings.

No trade or business shall be conducted in any Dwelling constructed on a Unit. Provided however, an Owner shall have the right to rent out his Unit to a tenant or tenants, under such terms and conditions as may be deemed appropriate by the Owner, including, but not limited to, nightly rentals and short term rentals as allowed by Park City Municipal Corporation ordinances. Any tenant shall occupy the Dwelling subject to all terms and conditions of this Declaration. Notwithstanding the foregoing, no Owner may separate the ownership of a Condominium Unit into timeshare interests.

#### 8.2 Nuisances.

No noxious, illegal, or offensive activities shall be carried on in any Unit, or in any part of the Condominium Unit, nor shall anything be done thereon which may be or may become an annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment of each of the Owners of his respective Condominium Unit, or which shall in any way increase the rate of insurance for the Development or cause any insurance policy to be canceled or to cause a refusal to renew the same, or which will impair the structural integrity of any building.

#### 8.3 Signs.

No signs advertising Units for sale or rent may be displayed on the Condominium Unit; however, until such time as all the Units in the Development are sold, Declarant may place in and around the Development, such marketing and advertising signs as are acceptable under the sign ordinances of Park City Municipal Corporation. Furthermore, until such time as all the Units in the Development are sold, Declarant may use one or more Units as sales models and sales offices.

#### 8.4 Animals.

No animals or birds of any kind shall be raised, bred, or kept in any Unit, or on any portion of the Condominium Unit, except that no more than two (2) usual and ordinary household pets such as dogs, cats, or birds, may be kept, provided that they are not kept, bred or maintained for any commercial purposes, and that they are kept under reasonable control at all times. All dogs shall be kept on a leash at all times when the dog is in the Common Area. Owners shall use their best efforts to prevent their pets from voiding on any portions of the Common Area, and in the event a pet does so, the Owner or person in control of such pet shall immediately clean up after the pet. The Board may enact reasonable rules respecting the keeping of animals within the Development and may designate certain areas in which animals may not be taken or kept, or may require that specific animals not be allowed on any part of the Development.

8.5 Garbage and Refuse Disposal.

All rubbish, trash and garbage shall be regularly removed from the Development, and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers. All equipment, garbage cans, wood-piles, or storage piles shall be kept screened and concealed from view of other Condominium Units, streets and the Common Area. There shall be no burning of trash in the Development.

8.6 Radio and Television Antennas.

Satellite dishes larger than twenty-four (24) inches are not allowed within the Development. Permitted dishes must be attached to or mounted on the Unit in a location approved by the Architectural Committee, and in no case may be free standing in any Common Area. No alteration to or modification of a central radio or television antenna system or cable television system, whichever is applicable, shall be permitted, and no Owner may be permitted to construct, use, or operate his own external radio, television antenna, or other electronic antenna without the written approval of the Board. No citizens band or other transmission shall be permitted within the Development. Declarant makes no representations or warranties regarding the availability of cable television service to the Development.

8.7 Clothes Lines.

No exterior clothes-lines shall be erected or maintained and there shall be no outside laundering or drying of clothes.

8.8 Power Equipment and Car Maintenance.

No power equipment, or car maintenance of any nature whatsoever (other than minor repairs requiring no more than six hours work) shall be permitted within the Development, except with prior written approval of the Board. In deciding whether to grant approval, the Board shall consider the effects of noise, air pollution, dirt or grease, fire hazard, interference with radio or television reception, general unsightliness, and related considerations.

8.9 Window Covers.

Curtains and drapes (with a lining, the color of which must be approved by the Architectural Committee), shutters, or blinds of a neutral color may be installed as window covers, subject to the Architectural Committee's absolute discretion. No window shall be covered with aluminum foil or similar material.

8.10 Flag Poles.

No flag poles may be erected by any individual Owner on any Condominium Unit, or within the Development itself.

8.11 Maintenance of Property.

All improvements on any portion of the Development shall be kept and maintained by the owner(s) thereof in clean, safe, and attractive condition, and in good repair.

8.12 No Noxious or Offensive Activity.

No noxious or offensive activity shall be carried on upon any Condominium Unit, nor shall anything be done or placed on any Unit within the Development that is, or may become, a nuisance or



cause unreasonable embarrassment, disturbance or annoyance to others.

8.13 No Hazardous Activities.

No activities shall be conducted within, and no improvements shall be constructed in the Development, which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or other dangerous weapons shall be discharged or brandished within the development; and no open fires shall be lighted or permitted within the Development, except in a contained barbecue unit while attended and in use for cooking purposes, or within a safe and well designed fireplace approved in writing by the Board and Architectural Committee.

8.14 No Unsightliness.

No unsightliness shall be permitted upon any Condominium Unit or on any portion of the Development. Without limiting the generality of the foregoing, (a) any unsightly structures, equipment, tools, boats, vehicles other than automobiles, objects or conditions, shall be enclosed within an approved building, or screened as directed by the Board, except equipment and tools when in actual use for maintenance or repairs; (b) no trailers, mobile homes, tractors, truck campers or trucks other than pickup trucks, shall be kept or permitted to remain within the Development; (c) no vehicle, boat or equipment shall be constructed, reconstructed, repaired or abandoned within any portion of the Development; (d) no lumber, grass, shrub or tree clippings, plant waste, metals, bulk materials or scrap shall be kept, stored or allowed to accumulate within any portion of the Development, except in service yards meeting the requirements of this Article 8 inclusive; and (e) refuse, garbage and trash shall be placed and kept at all times in a covered container and such container shall be kept within an enclosed structure or appropriately screened from view.

8.15 No Warranty of Enforceability.

While Declarant has no reason to believe that any of the restrictive covenants contained in this Article 8 or elsewhere in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenants, and the Unit Owner shall assume all risks of the validity and enforceability thereof and, by acquiring the Unit agrees to hold Declarant harmless therefrom.

ARTICLE 9

INSURANCE

9.1 Duty to Obtain Insurance; Types.

The Association shall obtain and keep in full force and effect at all times the following types of insurance coverage, provided by companies licensed to do business in the State of Utah.

9.1.1 Master Property Insurance. The Association shall obtain and maintain a "master" or "blanket" all-perils policy of property insurance on the buildings equal to a full replacement value (i.e., 100% of current "replacement cost" exclusive of land, foundation, excavation and other items normally excluded from coverage or items/elements which are owned by Unit Owners) of the buildings (including all building service equipment and the like and any fixtures or equipment within the Units) with an inflation Guard Endorsement or its equivalent, an Earthquake Damage Endorsement or its equivalent, and other endorsements which the Board determines to be in the best interests of the Association. Such insurance shall afford protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage, and such other risks as are customarily covered in similar projects and as are

commonly required by private institutional mortgage investors for projects similar in construction, location and use. Any blanket policy of property insurance shall contain or have attached a standard mortgagee clause (without contribution) customarily used in the area in which the Development is located which must provide that any proceeds shall be paid to the Association for the use and benefit of first mortgagees according to their respective interests. All costs associated with obtaining and maintaining the insurance coverage referenced in this Section 9.1.1, shall be the responsibility of the Owners of the Units.

9.1.2 Public Liability Insurance. The Association shall obtain and maintain a comprehensive policy of public liability insurance covering all of the Common Areas and facilities in the Development, with a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of a Unit owner because of the negligent acts of the Association or another Unit owner, with limits not less than \$1,000,000.00 covering all claims for personal injury and/or property damage arising out of a single occurrence including protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others, and such other risks as are customarily covered in similar projects. The scope of coverage shall also include all other coverage in the kinds and amounts required by private institutional mortgage investors for projects similar in construction, location and use. The costs of obtaining and maintaining the insurance coverage referenced in this Section shall be allocated among all Condominium Units in the Development.

9.1.3 Workmen's Compensation Insurance. The Association shall obtain and maintain workmen's compensation and employer's liability insurance and all other similar insurance with respect to any employees of the Association in the amounts and in the forms now or hereafter required by law. The costs of obtaining and maintaining the insurance coverage referenced in this Section shall be allocated among all Condominium Units in the Development.

## 9.2 Insurance Policy Requirements.

The Master Property, Public Liability and Workmen's Compensation Insurance policies obtained by the Association pursuant to Section 9.1.1, 9.1.2 and 9.1.3 shall be subject to the following:

- (a) the named insured under any such policies shall be the Association's Board, as a trustee for the Unit Owners, or its authorized representative, who shall have exclusive authority to negotiate losses under these policies; and
- (b) each hazard insurance policy shall be written by a hazard insurance carrier which has a financial rating by Best's Insurance Reports of Class VI or better.

## 9.3 Additional Coverage.

The provisions of this Declaration shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage in addition to any insurance coverage required by this Declaration, in such amounts and in such forms as the Association may deem appropriate from time to time.

## 9.4 Owner's Own Insurance.

Each Owner, at his own expense, may, and is hereby advised to procure and maintain at all times fire and extended coverage insurance covering personal property of such owner and additional fixtures and improvements added by such owner against loss by fire and other casualties, including without limitation vandalism and malicious mischief. Notwithstanding the provisions hereof, each Owner may obtain insurance at his own expense providing such other coverage upon his Condominium, the Owner's personal property, for the Owner's personal liability, and covering such other risks as the Owner may

deem appropriate. If obtainable under industry practice without an unreasonable additional charge for such waiver, all such insurance shall contain a waiver of the insurance company's right of subrogation against the Association, the Declarant, other Owners, and their respective servants, agents and guests.

9.5 Review of Insurance.

The Association shall review annually the coverage and policy limits of all insurance on the Development and adjust the same at its discretion. Such annual review may include an appraisal of the buildings and structures by a representative of the insurance carrier or carriers providing the policy or policies on the Development, or by such other qualified appraisers as the Association may select.

9.6 Waiver of Claim Against Association.

As to all policies of insurance maintained by or for the benefit of the Association and the Owners, the Association and the Owners hereby waive and release all claims against one another, the Board of Trustees and Declarant, to the extent of the insurance proceeds available, whether or not the insurable damage or injury is caused by the negligence of or breach of any agreement by any of said persons.

9.7 Notice of Expiration Requirements.

If available, all of the policies of insurance maintained by the Association shall contain a provision that said policy or policies shall not be reduced or canceled for any reason, without thirty (30) days prior written notice to the Board, the Owners and their respective Mortgagees or Mortgage Servicers.

9.8 Trustee for Policies.

The Association, acting through its Board of Trustees, is hereby appointed and shall be deemed trustee of the interests of all named insureds under policies of insurance purchased and maintained by the Association. All insurance proceeds under any such policies as provided for in this Article 9, shall be paid to the Board as trustees. The Board shall have full power to receive and to receipt for the proceeds, and all such proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried or otherwise disposed of as provided in Article 10 of this Declaration. The Board is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers with participation, to the extent they desire, of first mortgagees who have filed written requests with the Board within ten (10) days of receipt of notice of any damage or destruction.

9.9 Actions as Trustees.

Except as otherwise specifically provided in this Declaration, the Board, acting on behalf of the Association and all Owners shall have the exclusive right to bind such parties in respect to all matters affecting insurance carried by the Association, the settlement of a loss claim, and the surrender, cancellation, and modification of all such insurance.

9.10 Required Waivers.

All policies of physical damage insurance shall provide, if reasonably possible, for waiver of the following rights, to the extent that the respective insurers would have the rights without such waivers:

9.10.1 Subrogation of claims against the Owners and tenants of the Owners;

9.10.2 Any defense based upon co-insurance;

9.10.3 Any right of set-off, counterclaim apportionment, proration or contribution by reason of other insurance not carried by the Association;

9.10.4 Any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association, any Owner or any tenant of any Owner, or arising from any act, neglect, or omission of any named insured or the respective agents, contractors and employees of any insured; and

9.10.5 Any right of the insurer to repair, rebuild or replace, and, if the improvement is not repaired, rebuilt or replaced following loss, any right to pay under the insurance an amount less than the replacement value of the improvements insured.

## ARTICLE 10

### DESTRUCTION OF IMPROVEMENTS

#### 10.1 Association as Attorney in Fact.

All of the Owners of the Units irrevocably appoint the Association as their true and lawful attorney in fact in their name, place, and stead for the purpose of dealing with the damage or destruction to the Units as hereinafter provided. Acceptance by any grantee of a deed to a Unit from the Declarant or from any Unit Owner shall constitute an appointment by said grantee of the Association as his attorney in fact as herein provided. As attorney in fact, the Association shall have full and complete authorization, right and power to make, execute, and deliver any contract, deed, or other instrument with respect to the interest of a Unit Owner, which may be necessary or appropriate to exercise the powers herein granted.

#### 10.2 Definition of Repair and Reconstruction.

Repair and reconstruction of the Units as used herein means restoring the Units to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and the Common Areas having substantially the same vertical and horizontal boundaries as before.

#### 10.3 Procedures.

In the event any part of the Units is damaged or destroyed, the Association shall proceed as follows:

10.3.1 Notices to First Mortgagees. The Association shall give timely written notice to any institutional holder of any Mortgage on a Unit in the event of substantial damage to or destruction of that Unit.

10.3.2 Estimate of Costs. As soon as practicable after an event causing damage to or destruction of any part of the Units, the Association shall obtain complete and reliable estimate of the costs to repair and reconstruct that part of the Units damaged or destroyed.

10.3.3 Sufficient Insurance. If the proceeds of the insurance maintained by the Association equal or exceed the estimated costs to repair and reconstruct the damaged or destroyed part of the Units, such repair and reconstruction shall be carried out.

10.3.4 Insufficient Insurance - Less than 75% Destruction. If the proceeds of the insurance maintained by the Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Units, and if less than seventy-five percent (75%) of the Units are damaged or destroyed, such repair and reconstruction shall nevertheless be carried out. The Association shall levy a Special Assessment sufficient to provide funds to pay the actual costs of such repair and reconstruction to the extent that such insurance proceeds are

insufficient to pay such costs. Such Special Assessment shall be allocated and collected from the Owners of the Units, except that the vote therein specified shall be unnecessary. Further levies may be made in like manner if the amounts collected (together with the proceeds of insurance) are insufficient to pay all actual costs of such repair and reconstruction.

**10.3.5 Insufficient Insurance - 75% or More Destruction.** If the proceeds of the insurance maintained by the Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Units, and if seventy-five percent (75%) or more of the Units are damaged or destroyed, such damage or destruction shall be repaired and reconstructed if, but only if, within one hundred (100) days following the damage or destruction, the Owners of at least seventy-five percent (75%) of the Units shall elect to carry out such repair and reconstruction. If, however, the Owners of at least seventy-five percent (75%) of the Units shall not, within one hundred (100) days after such damage or destruction, elect to carry out such repair and reconstruction, the Association shall record in the office of the County Recorder of Summit County, State of Utah, a notice setting forth such facts. Upon the recording of such notice the following shall occur:

- (a) The Units shall be deemed to be owned in common by the Owners of the Units;
- (b) The undivided interest in the Units owned in common which shall appertain to each Unit Owner shall be the percentage of the undivided interest previously owned by such Unit Owner in the Common Areas;
- (c) Any liens affecting any of the Units shall be deemed to be transferred, in accordance with the existing priorities, to the undivided interest of the respective Unit Owner; and
- (d) The Units shall be subject to an action for partition initiated by any Unit Owner, in which event the net proceeds of any sale resulting from such suit for partition, together with the net proceeds of the insurance of the Units, if any, shall be considered as one fund and shall be divided among all of the Unit Owners in a percentage equal to the percentage of undivided interest owned by each respective Unit Owner in the Common Areas, after first paying out of the respective share of each Unit Owner, to the extent sufficient for the purposes, all liens on the undivided interest in the Units owned by such Unit Owner.

**10.4 Repair or Reconstruction.**

If the damage or destruction is to be repaired and reconstructed as provided above, the Association shall, as soon as practicable after receiving the said estimate of costs, commence and diligently pursue to completion the repair and reconstruction of that part of the Units damaged or destroyed. The Association may take all necessary or appropriate action to effect repair and reconstruction, as attorney in fact for the Owners, and no consent or other action by an Owner shall be necessary in connection therewith, except as otherwise expressly provided herein. The Units shall be restored or repaired to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and the Common Areas having the same vertical and horizontal boundaries as before.

**10.5 Disbursement of Funds for Repair and Reconstruction.**

If repair or reconstruction is to occur, the insurance proceeds held by the Association and any amounts received from assessments made pursuant to this Article 10 shall constitute a fund for the payment of costs of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for cost of repair and reconstruction shall be made from insurance proceeds, if there

is a balance after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Unit Owners in proportion to their respective percentages of Ownership of the Common Areas.

10.6 Amendment of Article.

This Article 10 shall not be amended unless the Owners of at least seventy-five percent (75%) of the Units consent and agree to such amendment by duly executed and recorded instruments.

10.7 Damage to Common Area.

Except as otherwise provided in this Declaration, in the event of any destruction of any portion of the Common Area (other than the Units as referenced in Section 10.1 through 10.6 above), the repair or replacement of which is the responsibility of the Association, it shall be the duty of the Association to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance maintained pursuant to Article 9 hereof for reconstruction or repair of the Common Area shall be used for such purpose, unless otherwise provided herein. The Board shall be authorized to have prepared the necessary documents to effect such reconstruction as promptly as practical. The Common Area shall be repaired, reconstructed or rebuilt substantially in accordance with the original construction plans. If the amount available from the proceeds of such insurance policies for such restoration and repair is inadequate to complete the restoration and repair, the Board shall levy an Extraordinary Assessment for the deficiency and proceed with such restoration and repair.

10.8 Alternate Plans for Restoration and Repair.

Notwithstanding the provisions of Paragraph 10.7, the Association shall have the right, by a vote of seventy-five percent (75%) of the voting power of the Association, to make alternate arrangements respecting the repair, restoration or demolition of the damaged portion of the Common Area. The alternate plan may provide for special allocation of insurance proceeds, modification of design, or special allocation of any necessary Assessments. Any plan adopted pursuant to this subparagraph shall be adopted within sixty (60) days of the damage or destruction to such Common Area, and shall be supported by the vote of any Owner whose Condominium Unit has been physically damaged, to the extent the proposed plan affects such Condominium Unit.

10.9 Appraisal of Damage.

In the event the parties affected by damage or destruction to the Common Area cannot agree, within twenty (20) days of the date of the damage, on the estimated cost of repair or the allocations referred to in this Article 10, the Association shall appoint three (3) independent appraisers having at least five (5) years full-time appraisal experience in Summit County, Utah, to appraise the damage and establish allocations among various damaged portions of the Common Area. Within twenty (20) days after the selection of the appraisers, a majority of the appraisers shall set the estimated and allocations. If a majority of the appraisers are unable to agree within the stipulated period of time, the average of the three (3) appraisals shall be utilized. If, however, the low appraisal and/or the high appraisal are/is more than fifteen percent (15%) lower and/or higher than the middle appraisal, the low appraisal and/or the high appraisal shall be disregarded. If only one appraisal is disregarded, the average of the two remaining appraisals shall be utilized. If both the low appraisal and the high appraisal are disregarded, the middle appraisal shall be utilized. The cost of the appraisals required by this subparagraph shall be paid by the Association and reimbursed by the Owners through an Extraordinary Assessment.

ARTICLE 11

DECLARANT'S RIGHTS AND RESERVATIONS

11.1 Rights.

Declarant is undertaking the work of construction of the infrastructure improvements for the Development, and the construction of Units within the Development. The completion of that work and the sale or other disposition of the Units is essential to the establishment and welfare of the Development as a residential community. In order that said work may be completed and that the Development be established as a fully occupied residential community as rapidly as possible, nothing in this Declaration shall be understood or construed to:

11.1.1 Prevent Declarant, its contractors, or subcontractors from doing within the Development, whatever is reasonably necessary or advisable in connection with the completion of the work, including, but not limited to, using any portion of the Development as a staging area for construction; or

11.1.2 Prevent Declarant or its representatives from erecting, constructing and maintaining on any portion of the Development, such structures as may be reasonable and necessary for the conduct of its business of completing said work and establishing the Development as a residential community and disposing of the same in Condominium Units, by sale or other disposition; or

11.1.3 Prevent Declarant from maintaining such sign or signs on any portion of the Development as may be necessary for the sale or disposition thereof.

11.2 Declarant Subject to Declaration.

So long as Declarant, or its successors and assigns, owns one or more of the Units established and described in this Declaration, and except as otherwise specifically provided herein, Declarant, its successors and assigns, shall be subject to the provisions of this Declaration.

11.3 Sale or Transfer by Declarant.

In the event Declarant shall convey all of its right, title and interest in and to the Development, to any partnership, individual or individuals, corporation or corporations, then and in such event, Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such partnership, individual or individuals, corporation or corporations, shall be obligated to perform all such duties and obligations of the Declarant.

11.4 Option to Expand.

It is anticipated that the Development will be developed in a series of phases. Accordingly Declarant hereby reserves, pursuant to Section 57-8-13.6 of the Act, the option to expand Ironwood At Deer Valley (the "Option to Expand") upon the terms and provisions set forth in this Section without the prior consent of the Owners or the Association. The Option to Expand must be exercised no later than seven (7) years from the date of the recording of this Declaration. The terms and conditions of the Option to Expand shall be as follows:

11.4.1 The real property subject to the Option to Expand consists of the real property sometimes hereinafter referred to as the Additional Land, being more particularly described on Exhibit "F" hereto and incorporated herein by this reference.

11.4.2 Subject to the provisions of paragraph 11.4.3 below, the Option to Expand may be exercised at different times as to portions of the parcels described on Exhibit "F" and in any order elected by the Declarant. No assurance is made with regard to which portions of the Additional Land, if any, will be added to the Development or the order in which such portions will be so expanded. In the event the Option to Expand is exercised with respect to a portion of the Additional Land, the Option to Expand may subsequently be exercised with respect to any other portion of the Additional Land. There are no limitations as to which portions of the Additional Land may be added.

11.4.3 Declarant shall not be restricted in the location of improvements on the Additional Land or in the number of Units that may be created on the Additional Land, except as may be required by applicable zoning requirements, ordinances or regulations, provided the Development when completed shall not exceed 25 Units plus common areas, facilities and an employee housing unit. The maximum number of Units per acre shall not exceed 50. Not more than fifty percent (50%) of the aggregate land and floor area of the Additional Land shall be utilized for other than exclusively residential purposes. The foregoing limitations on the number of Units to be constructed in the Development are set forth herein for the purpose of satisfying Section 57-10(4)(a)(vii) of the Act and are subject to amendment in the event Declarant's land use entitlements change.

11.4.4 The Units to be located on the Additional Land shall be subject to the same uses as provided in this Declaration, as applicable. Declarant reserves the right to exercise all developmental rights reserved or afforded in this Declaration with respect to any Units located on the Additional Land.

11.4.5 The units to be built on the Additional Land shall be substantially similar to the Units. Future improvements shall be consistent with the initial improvements in structure, type and quality of construction, principal materials to be used and architectural style of the future Units. Structures other than buildings containing Units may be erected on the Additional Land. Additional improvements may include recreational facilities, parking areas, driveways, walkways and landscaping of the Common Areas contained therein, but Declarant makes no assurances regarding such other improvements. Declarant reserves the right to add additional Limited Common Areas and facilities to the Additional Land without limitation.

11.4.6 The ownership interest in the Common Areas and facilities, the corresponding responsibility for Assessments and the votes for all Units in the Development shall be changed at the time Declarant records an amendment and supplemental map reflecting Declarant's exercise of the Option to Expand in accordance with the provisions set forth in paragraph 11.4.7 below. Said changes in ownership interest and votes shall be reflected in an amended Exhibit "B" to this Declaration to be filed with the Summit County Recorder a part of the amendment. It is contemplated that there may be multiple amendments filed by Declarant and such amendments are hereby expressly authorized.

11.4.7 Declarant shall calculate and revise the undivided interest for each Unit in the Development based upon the following formula:

$$\text{Number of Square Feet of a Unit} \div \text{Number of Square Feet of all Units} = \text{Ownership Interest in Common Areas and Facilities of Development and Number of Class A Votes}$$

Declarant shall have the right to adjust the resulting ownership interests of all Units in the Common Areas of the Development as may be necessary to assure that the total ownership interest equals one hundred percent (100%) or one (1) as required by the Act.

11.4.8 Each Owner, by execution of a contract for deed or the acceptance of a deed to a



Unit in the Development, shall be deemed to have consented to all provisions of this Section, including the procedure for adjustment of Unit ownership interests pursuant to paragraph 11.4.7 hereof. After the filing for record of any amended Exhibit "B" to this Declaration and the supplemental map reflecting Declarant's exercise of the Option to Expand, or any part thereof, legal and equitable title to each Unit thereby created within the Additional Land, including its appurtenant ownership interest in the Common Areas, shall be vested in and held by Declarant and none of the other Owners shall have any claim or title to or interest in such Unit or its appurtenant ownership interest in the Common Areas.

11.4.9 Declarant reserves the right to create Limited Common Areas and facilities within the Additional Land including porches, driveways, walkways, balconies, decks, parking areas or other apparatus intended to serve a single Unit. In addition, Declarant reserves the right to designate hallways and other portions of the improvements constructed on the Additional Land as Limited Common Areas and facilities in accordance with the other terms and provisions of this Declaration. The size, type and total number of such Limited Common Areas and facilities shall be reasonable and shall be appropriate to the Units involved in light of the number and nature of Units created within the Additional Land.

11.4.10 Declarant shall not be required to obtain the consent of any Owners or of any other person or entity having any right or interest in all or any portion of the Development prior to or subsequent to adding all or portions of the Additional Land.

11.4.11 No provision of this Section 11.4 shall be amended without the prior written consent of Declarant, so long as Declarant owns or has the right to acquire any Units in the Development.

#### 11.5 Declarant Control Period.

Notwithstanding any provision to the contrary contained in this Declaration, the Articles of Incorporation for Ironwood HOA, Inc. or the Bylaws, there is hereby established a period of Declarant control of the Association, during which period Declarant or persons designated by it shall have the authority to appoint and remove the Association officers and members of the Board of Trustees. The period of Declarant control shall terminate no later than the earlier of:

- (a) on the sixth anniversary of the recordation of the Declaration; or
- (b) after Units to which three-fourths (3/4) of the undivided interest in the Common Areas appertain have been conveyed to Owners, or after all the Additional Land has been added to the Development, whichever last occurs.

### ARTICLE 12

#### RIGHTS OF MORTGAGEES

In order to induce various lenders and lending agencies to participate in the financing of Units within the Development, this Article 12 is included in this Declaration. The provisions of this Article apply to both this Declaration and to the Bylaws, notwithstanding any other provisions contained herein or therein. For purposes of this Article 12, the terms "Eligible Holder", "Eligible Insurer" or "Guarantor" refer to a Mortgagee, insurer or guarantor of any Mortgage on a Unit, who has provided a written request to the Association (such request to state the name and address of such holder, insurer or guarantor, and the street address of the Unit to which its Mortgage relates), to be notified of any of the events listed below.

**12.1 Notices of Action.**

Each Eligible Holder and each Eligible Insurer or Guarantor is entitled to timely written notice of the following:

12.1.1 Any condemnation or casualty loss that affects either a material portion of the Development or the Unit securing its mortgage;

12.1.2 Any delinquency in the payment of assessments or charges owed by a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days, or any other violation of the governing documents relating to such Unit or the Owner or occupant which is not cured within 60 days;

12.1.3 Any proposed action which would require the consent of a specified percentage of Eligible Holders, or

12.1.4 A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

**12.2 Federal Guidelines.**

In addition to the foregoing, the Declarant and the Board shall have the power and authority, without the vote of the Association, to enter into such contracts or agreements on behalf of the Association as are required in order to satisfy the guidelines of any generally recognized federal agency or lending institution (e.g., FNMA, GNMA, FHA or VA), so as to allow for the purchase, guaranty or insurance, as the case may be, by such entities of mortgages encumbering Units. Each Owner hereby agrees that it will benefit the Association and the membership of the Association, as a class of potential mortgage borrowers and potential sellers of their residential Units, if such agencies or lending institutions approve the property as a qualifying Development under their respective policies, rules and regulations, as adopted from time to time.

**12.3 No Priority.**

No provision of this Declaration of the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of such Owner's Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

**12.4 Notice to Association.**

Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering the Owner's Unit.

**12.5 Failure of Mortgagee to Respond.**

Any Mortgagee who receives a written request from the Board of Trustees to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

ARTICLE 13

DURATION AND AMENDMENT

13.1 Duration.

This Declaration shall continue in full force for a term of fifty (50) years from the date hereof, after which time the same shall be automatically extended for successive periods of ten (10) years, unless a Declaration of Termination is recorded, meeting the requirements of an amendment to this Declaration as set forth in Paragraph 13.2. There shall be no severance by sale, conveyance, encumbrance or hypothecation of an interest in any Unit from the concomitant membership of the Association, as long as this Declaration shall continue in full force and effect.

13.2 Amendment.

This Declaration may be amended by recording with the County Recorder of Summit County, Utah, a certificate of amendment, duly signed and acknowledged by and on behalf of the Association. The certificate of amendment shall set forth in full the amendment adopted, and except as otherwise provided for in this Declaration, shall certify that at a meeting duly called, noticed and held pursuant to the Articles and Bylaws of the Association, or by separate written consent without a meeting, the members of the Association entitled to cast at least sixty-seven percent (67%) of the votes of the Association voted affirmatively for the adoption of the amendment or approved such amendment by separate written consent. Within six (6) years from the date of recording of this Declaration, and so long as the Declarant is the Owner of any Unit or part of the Development, this Declaration may not be amended or terminated without the written approval of the Declarant. The Association shall maintain in its files the record of all such votes or written consents. Such a certificate reflecting any amendment which requires the written consent of any of the Mortgagees of Mortgages shall be signed and sworn to by such Mortgagees.

13.3 Unilateral Amendment.

The Declarant alone may amend or terminate this Declaration prior to the closing of a sale of the first Unit. Notwithstanding anything contained in this Declaration to the contrary, this Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with the Master Declaration or any applicable governmental statute, rule, regulation or judicial determination, to make technical corrections, to correct mistakes or remove/clarify ambiguities; or (b) if such amendment is reasonably necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Land or Units subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Owner's Condominium Unit, unless any such Owner shall consent thereto in writing.

13.4 Right of Amendment if Requested by Governmental Agency or Federally Chartered Lending Institutions.

Notwithstanding anything in this Article or Declaration to the contrary, Declarant reserves the unilateral right to amend all or any part of this Declaration so such extent and with such language as may be requested by a state department of real estate, FHA, VA, the FHLMC or FNMA and to further amend to the extent requested by any other federal, state or local governmental agency with requests such an amendment as a condition precedent to such agency's approval of this Declaration or approval of the sale of property within the Development, or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Land or Units in the Development. Any such amendment shall be effected by the recordation by Declarant of a certificate of amendment duly signed and acknowledged by the Declarant, specifying the federal, state or local governmental agency or the federally chartered lending institution requesting the amendment. Recordation of such a certificate of

amendment shall be conclusive proof of the agency's or institution's request for such an amendment, and such certificate of amendment, when recorded, shall be binding upon the Development and all persons having an interest therein. It is the desire of Declarant to retain control of the Association and its activities during the anticipated period of planning and development. If any amendment requested pursuant to the provisions of this Article deletes, diminishes or alters such control, Declarant alone shall have the right to amend this Declaration to restore such control.

#### ARTICLE 14

##### GENERAL PROVISIONS

###### 14.1 Enforcement

The Board, any Owner, and any governmental or quasi-governmental agency or municipality having jurisdiction over the Development shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by this Declaration, and in such action shall be entitled to recover costs and reasonable attorneys' fees as are ordered by the Court. Any such action by the Board shall be taken on behalf of two (2) or more Unit Owners, as their respective interests may appear, with respect to any cause or action relating to the Common Area or more than one Unit. Failure by any such person or entity to enforce any such provision shall in no event be deemed a waiver of the right to do so thereafter.

###### 14.2 Invalidity of Any Provision

Should any provision of this Declaration be declared invalid or in conflict with any law of the jurisdiction where the Development is situated, the validity of all other provisions shall remain unaffected and in full force and effect.

###### 14.3 Conflict of Development Documents

If there is any conflict among or between the Development Documents, the provisions of this Declaration shall prevail; thereafter, priority shall be given to Development Documents in the following order: Map, Articles, Bylaws, and rules and regulations of the Association. Notwithstanding the foregoing, any provision in any of the Development Documents which is for the protection of mortgagees shall have priority over any inconsistent provision in that document or in any other Development Document.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this Declaration on this 29 day of July 2003.

IRONWOOD PARTNERS OF UTAH, LLC,  
a Utah Limited liability company

By:   
Matthew T. Mullin, Manager

00670685 Bk01564 Pg01284

ACKNOWLEDGEMENT

STATE OF Utah )  
County of Summit ) ss.

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of July, 2003 by Matthew T. Mullin, as the Manager of Ironwood Partners of Utah, LLC, a Utah limited liability company.

Judith L Costello  
Notary Public  
My commission expires on: January 2, 2007  
Residing in: Summit County

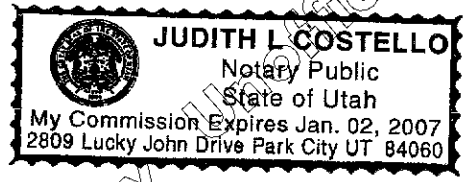


EXHIBIT "A"

LEGAL DESCRIPTION OF DECLARANT'S PROPERTY

**Ironwood At Deer Valley  
Phase 1 Plat Boundary  
Legal Description**

A parcel of land located in the northwest quarter of Section 28, Township 2 South, Range 4 East, Salt Lake Base and Meridian.

Said parcel also being a portion of Lot C of the Northside Village Subdivision II according to the official plat of record and on file in the office of the Summit County Recorder, Summit County Utah, Recorded as Entry No. 623453 on 6-28-2002 and being more particularly described as follows:

Beginning at a point that is South  $00^{\circ}36'49''$  East 1120.67 feet along the Section line and East 1272.44 feet from the northwest corner of Section 28, Township 2 South, Range 4 East, Salt Lake Base & Meridian; and running thence South  $28^{\circ}16'22''$  West 192.88 feet; thence South  $89^{\circ}17'00''$  West, 150.96 feet to a point on a 45.00 foot non tangent curve to the left of which the radius point bears South  $71^{\circ}08'01''$  West; thence northwesterly along the arc of said curve 15.92 feet through a central angle of  $20^{\circ}16'15''$ ; thence North  $18^{\circ}50'15''$  East 114.69 feet to a point on a 74.50 foot non tangent curve to the right of which the radius point bears North  $20^{\circ}43'35''$  East; thence northwesterly along the arc of said curve 9.58 feet through a central angle of  $07^{\circ}22'15''$  to a point on a 280.87 foot radius compound curve to the right of which the radius point bears North  $28^{\circ}05'50''$  East; thence northwesterly along the arc of said curve 136.35 feet through a central angle of  $27^{\circ}48'52''$  to a point on a 72.50 foot reverse curve to the left of which the radius point bears South  $55^{\circ}54'42''$  West; thence northwesterly along the arc of said curve 70.99 feet through a central angle of  $56^{\circ}06'00''$ ; thence South  $89^{\circ}48'42''$  West 31.62 feet to a point on a 66.86 foot radius curve to the right of which the radius point bears North  $00^{\circ}11'28''$  West; thence westerly along the arc of said curve 45.61 feet through a central angle of  $39^{\circ}05'13''$  to a point on a 15.00 foot radius curve to the left of which the radius point bears South  $38^{\circ}53'55''$  West; thence northwesterly along the arc of said curve 4.08 feet through a central angle of  $15^{\circ}35'57''$  to a point on a 325.00 foot non tangent curve to the right of which the radius point bears South  $55^{\circ}24'36''$  East; thence along the easterly right-of-way line of Marsac Avenue northeasterly along the arc of said curve 30.40 feet through a

central angle of 05°21'32" to a point on a 15.00 foot non tangent curve to the left of which the radius point bears North 57°57'18" East; thence southeasterly along the arc of said curve 4.99 feet through a central angle of 19°03'23" to a point on a 37.86 foot radius curve to the left of which the radius point bears North 38°53'55" East; thence easterly along the arc of said curve 25.83 feet through a central angle of 39°05'13"; thence North 89°48'42" East 31.62 feet to a point on a 101.50 foot radius curve to the right of which the radius point bears South 00°11'18" East; thence southeasterly along the arc of said curve 99.38 feet through a central angle of 56°06'00" to a point on a 251.87 foot reverse curve to the left of which the radius point bears North 55°54'42" East; thence southeasterly along the arc of said curve 122.27 feet through a central angle of 27°48'52" to a point on a 45.50 foot radius compound curve to the left of which the radius point bears North 28°05'50" East; thence easterly along the arc of said curve 79.81 feet through a central angle of 100°30'00" to a point on a 110.35 foot radius compound curve to the left of which the radius point bears North 72°24'10" West; thence northerly along the arc of said curve 35.99 feet through a central angle of 18°41'04" to a point on a 23.50 foot radius compound curve to the left of which the radius point bears South 88°54'46" West; thence northwesterly along the arc of said curve 23.45 feet through a central angle of 57°10'11" to a point on a 38.50 foot radius reverse curve to the right of which the radius point bears North 31°44'36" East; thence northeasterly along the arc of said curve 118.47 feet through a central angle of 176°18'46"; thence North 28°03'21" East 113.89 feet to a point on a 1,133.33 foot non tangent curve to the right of which the radius point bears South 05°43'25" West; thence along the southerly right-of-way line of Marsac Avenue easterly along the arc of said curve 35.61 feet through a central angle of 01°48'00"; thence South 32°30'13" East 35.81 feet to a point on a 127.40 foot radius curve to the right of which the radius point bears South 57°29'47" West; thence southerly along the arc of said curve 118.51 feet through a central angle of 53°18'01" to a point on a 162.92 foot reverse curve to the left of which the radius point bears South 69°12'12" East; thence southerly along the arc of said curve 82.15 feet through a central angle of 28°53'18" to the POINT OF BEGINNING.

Description Contains 66982.8 square feet, 1.5377 acres.

X:\Empire\Docs\Ironwood\phase1.doc

EXHIBIT "B"

SCHEDULE OF UNITS, APPROXIMATE SQUARE FOOTAGE, VOTES  
AND UNDIVIDED INTEREST IN COMMON AREAS

Unit Number	Approximate Square Footage of Unit	Number of Votes Per Unit (if not owned by Declarant)	Undivided Interest in Common Areas
5	2,943	2,943	.0911
6	2,914	2,914	.0902
7	2,902	2,902	.0898
8	3,429	3,429	.1062
9	3,457	3,457	.1070
10	3,394	3,394	.1051
11	3,438	3,438	.1064
12	3,453	3,453	.1069
14	2,930	2,930	.0907
15	3,445	3,445	.1066
<b>TOTALS</b>	<b>32,305</b>	<b>32,305</b>	<b>100%</b>

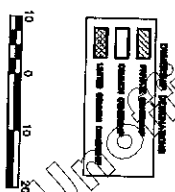
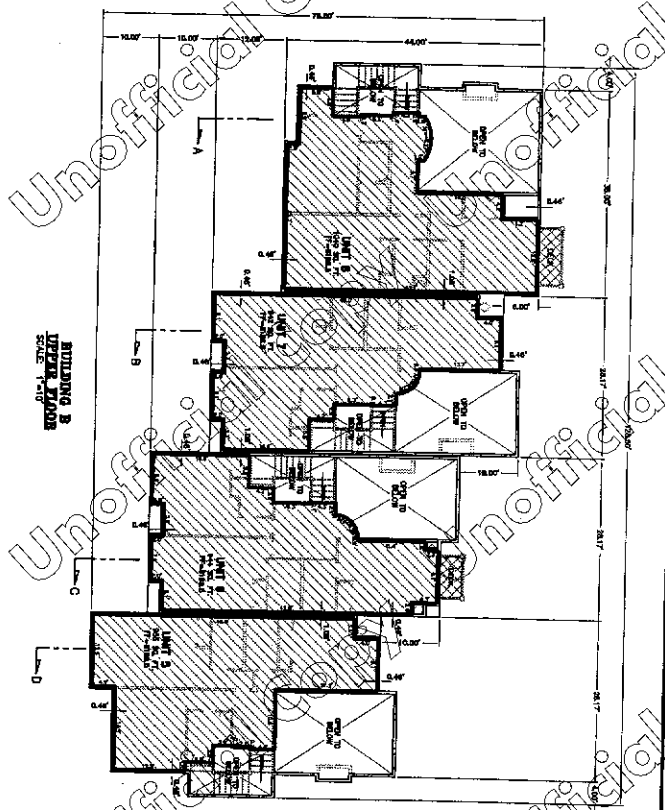
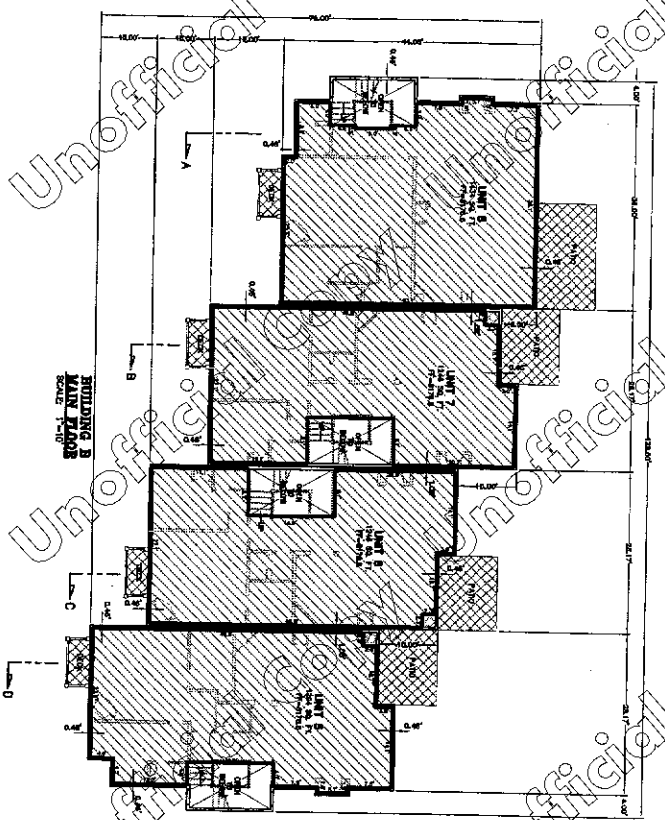
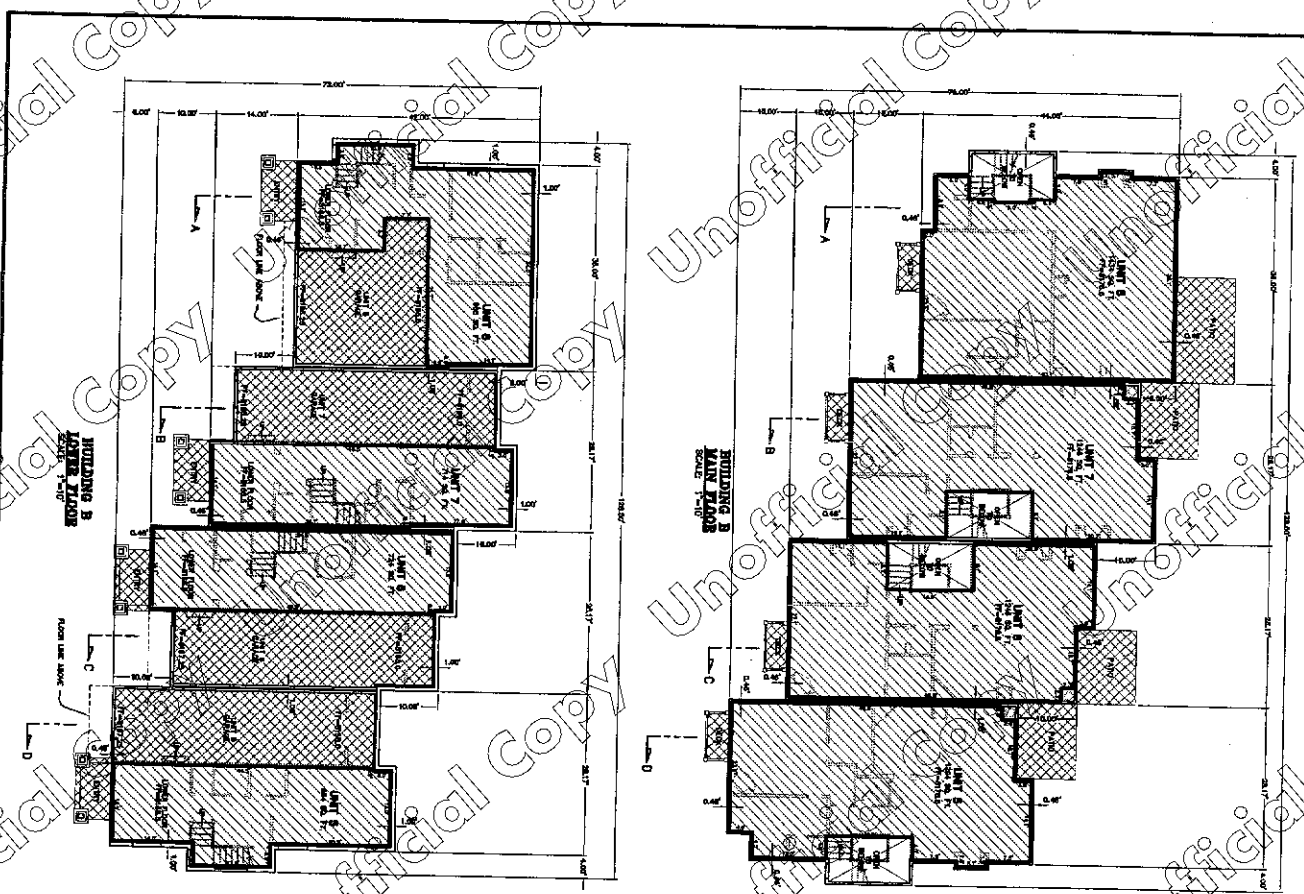


EXHIBIT "C"

RECORD OF SURVEY MAP  
IRONWOOD AT DEER VALLEY PHASE I

00670685 Bk01564 Pg01289



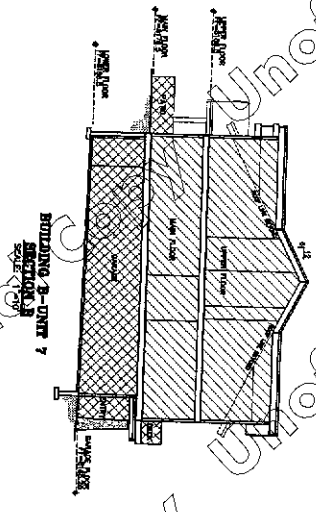
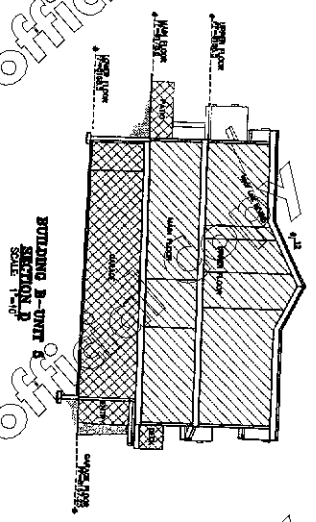
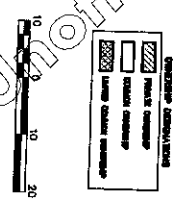
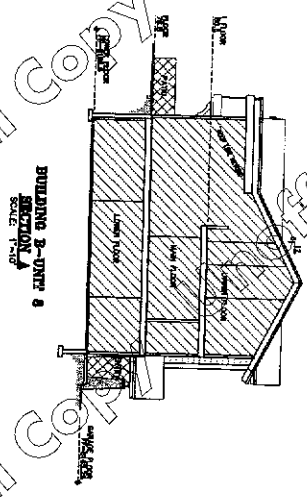
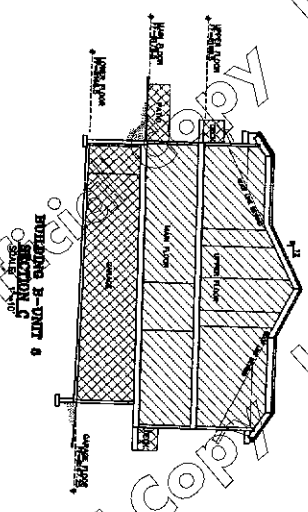


**IRONWOOD AT DEER VALLEY**  
**PHASE I**

RECORD OF SURVEY MAP  
 A UTAH CONDOMINIUM PROJECT  
 LOCATED IN THE COUNTY OF DAVID, AND PLAT  
 TOWNSHIP 2 SOUTH, RANGE 12 WEST, SECTION 24

STATE OF UTAH, COUNTY OF DAVID, AND PLAT  
 DATE: \_\_\_\_\_ TIME: \_\_\_\_\_  
 FEE: \_\_\_\_\_ RETURNED: \_\_\_\_\_

Unofficial Copy



**IRONWOOD AT DEER VALLEY**

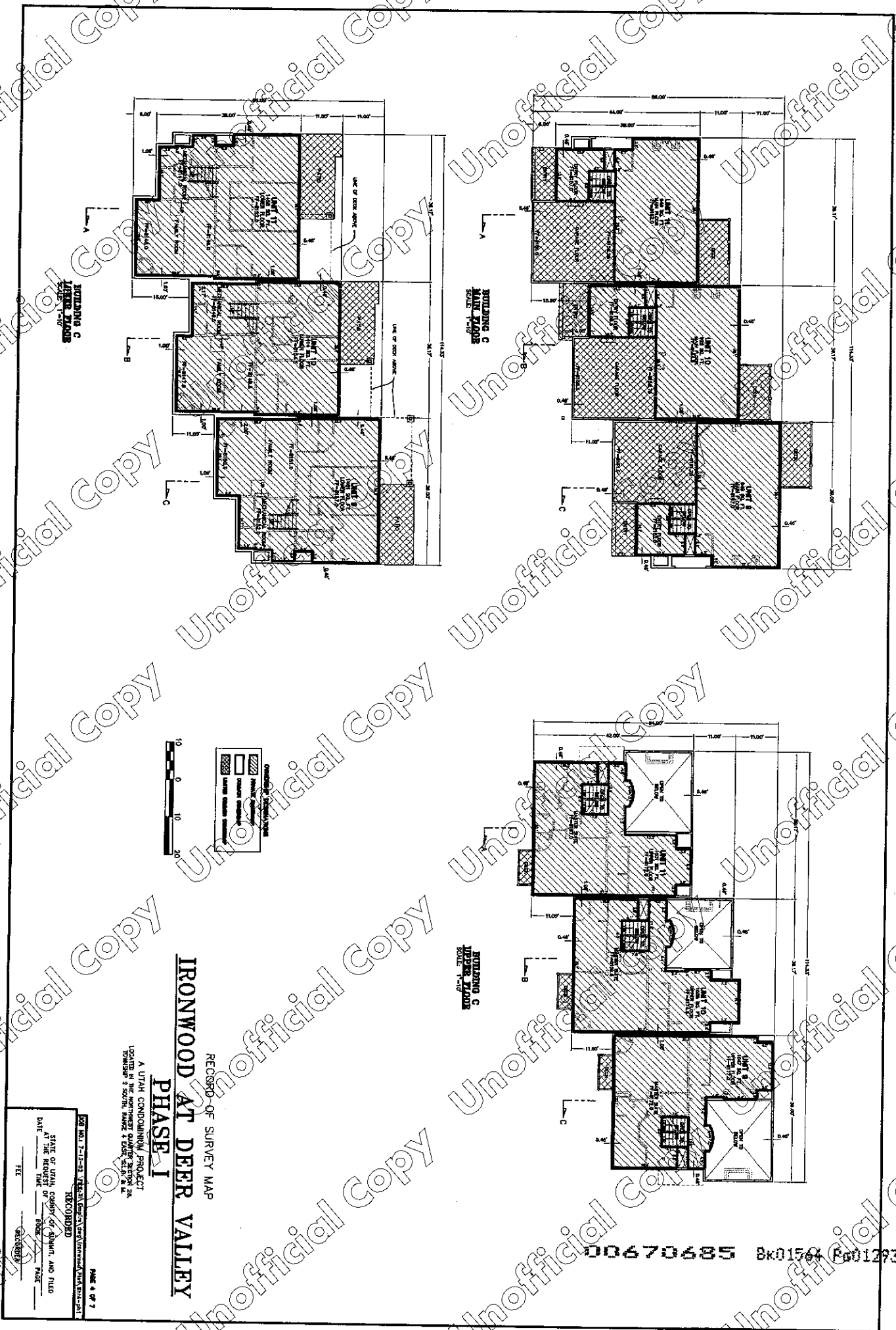
**PHASE I**

RECORD OF SURVEY MAP  
 A UTAH CONDOMINIUM PROJECT  
 LOCATED IN THE SOUTHWEST CORNER SECTION 24,  
 TOWNSHIP 2 NORTH, RANGE 1 WEST, 3RD P.M.

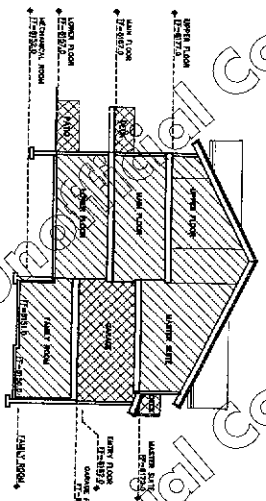
DATE: 7-11-02 FILED: 7-11-02  
 STATE OF UTAH, COUNTY OF SARAH, AND FILED  
 AT THE REQUEST OF: [Name] BOOK: [Number] PAGE: [Page]  
 RECORDER: [Name]

00670685 Bk01564 Pg01392

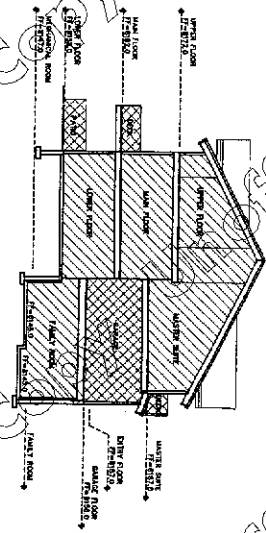
Unofficial Copy



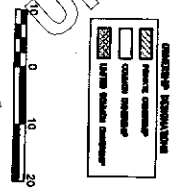
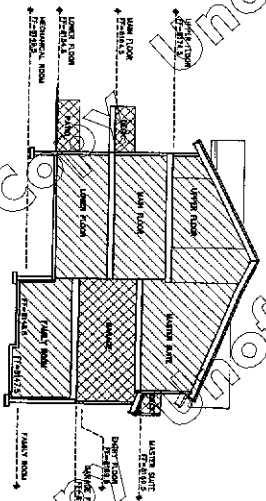
**BUILDING C-DWNT 9**  
SECTION 9  
SCALE 1/8" = 1'-0"



**BUILDING C-DWNT 11**  
SECTION 11  
SCALE 1/8" = 1'-0"



**BUILDING C-DWNT 10**  
SECTION 10  
SCALE 1/8" = 1'-0"



RECORD OF SURVEY MAP  
**IRONWOOD AT DEER VALLEY**  
PHASE I

A UTAH COMMUNITY PROJECT  
LOCATED IN THE COMMUNITY OF IRONWOOD,  
TOWNSHIP 2 SOUTH, RANGE 7 EAST, SECTOR 1A

FOR BOOK 2-12-02 RELEASED UNDER THE IRONWOOD RECORD ACT

RECORDED

STATE OF UTAH, COUNTY OF GARFIELD, AND FILED

DATE \_\_\_\_\_ BY \_\_\_\_\_

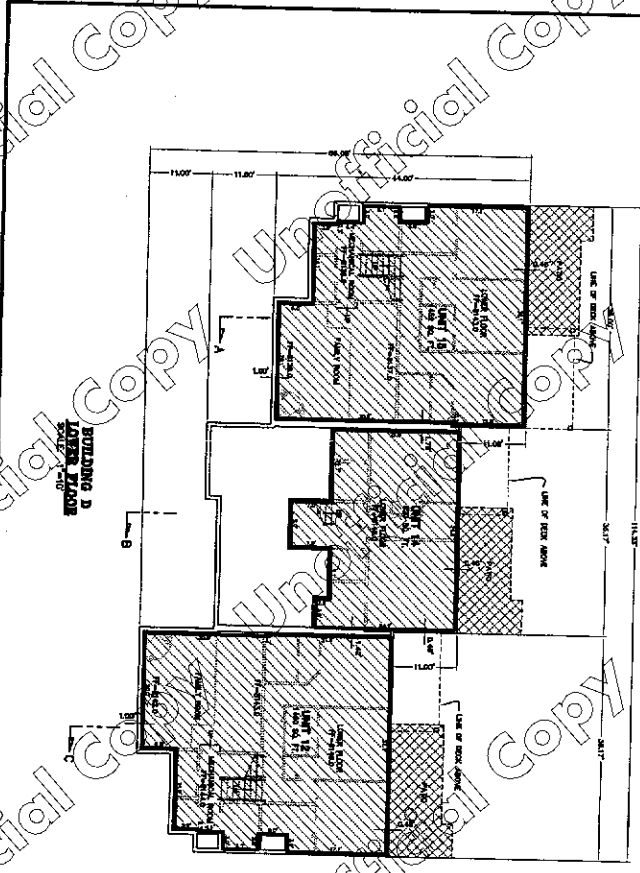
FIC \_\_\_\_\_

RECORDED

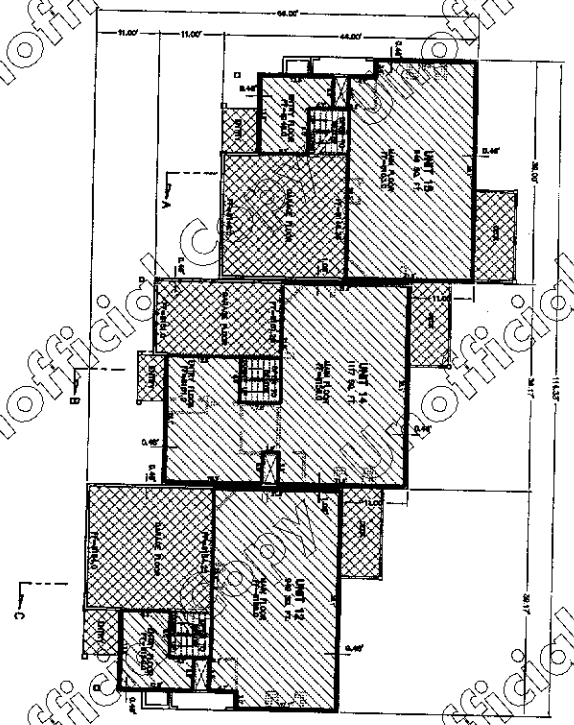
MAR 8 OF 7

00670685 Bk01564 Pg01294

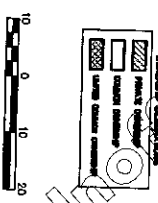
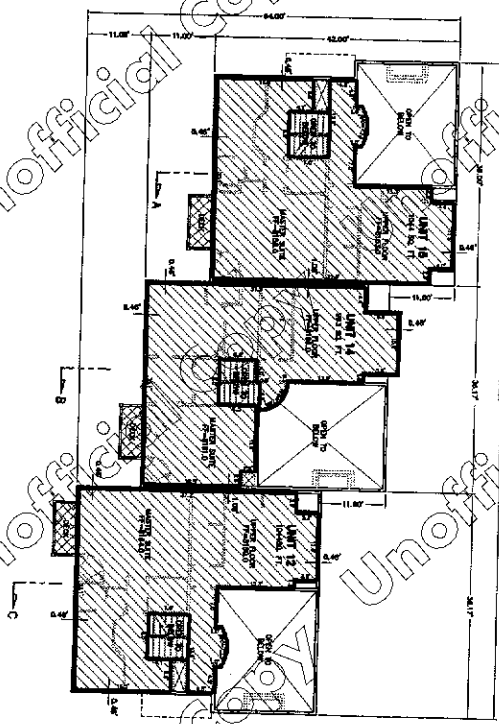
Unofficial Copy



**BUILDING B  
MAIN FLOOR  
SCALE 1/8"**



**BUILDING B  
UPPER FLOOR  
SCALE 1/8"**



**IRONWOOD AT DEER VALLEY**  
RECORD OF SURVEY MAP  
PHASE I

A UTAH CONDOMINIUM PROJECT  
LOCATED IN THE NORTHWEST QUARTER SECTION 28,  
TOWNSHIP 2 NORTH, RANGE 6 EAST, SLOPE COUNTY, UTAH

STATE OF UTAH COUNTY OF SLOPE, AND FILED  
DATE \_\_\_\_\_ TIME \_\_\_\_\_ ROOM \_\_\_\_\_ PAGE \_\_\_\_\_  
FEE \_\_\_\_\_ RECORDER \_\_\_\_\_  
RECORDED  
FILE NO. 7-71-23 TELEPHONE AREA NUMBER 784-5111  
PAGE 8 OF 7





EXHIBIT "D"

ARTICLES OF INCORPORATION

OF

IRONWOOD HOA, INC.

A Utah Nonprofit Corporation

RECEIVED

JUL 29 2003

Utah Div. of Corp. & Comm. Code

ARTICLES OF INCORPORATION  
OF

IRONWOOD HOA, INC.  
A Utah Nonprofit Corporation

KNOW ALL MEN BY THESE PRESENTS that the undersigned natural person(s), being over the age of twenty-one (21) years, and for the purpose of forming a corporation under the Utah Non Profit Corporation and Co-operative Association Act, hereby adopt the following Articles of Incorporation:

ARTICLE 1

NAME

The name of the Corporation (hereinafter called the "Association") is IRONWOOD HOA, INC.

ARTICLE II

DURATION

The Association shall exist perpetually unless and until dissolved according to law.

ARTICLE III

PURPOSES AND POWERS OF THE ASSOCIATION

This Association is organized as a nonprofit corporation and does not contemplate the distribution of income to its members, trustees or officers, and its object is not the generation of pecuniary profit. The specific primary purposes for which it is formed are to provide for the acquisition, construction, management, operation, administration, maintenance, repair, improvement, preservation and architectural control of Association property within that certain condominium development situated in Park City, Summit County, Utah, commonly known as IRONWOOD AT DEER VALLEY, and to promote the health, safety, welfare, recreation, education, and social interaction of all residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for such purpose, all according to that certain Declaration Of Covenants, Conditions, Restrictions and Easements Of Ironwood At Deer Valley, A Utah Expandable Condominium Project (the "Declaration") recorded or to be recorded with respect to said property in the Office of the Recorder of Summit County.

In furtherance of said purposes, and subject to the approval of members as required by the Declaration, the Bylaws, or by law, this Association shall have power to:

- (a) Perform the duties and obligations of the Association as set forth in the Declaration;
- (b) Fix, levy, collect and enforce Assessments and fines as set forth in the Declaration;
- (c) Pay all expenses and obligations incurred by the Association in the conduct of its business, including, without limitation, all licenses, taxes or governmental charges levies or impositions against the Association property;
- (d) Acquire (by gift, purchase or otherwise) own, hold, improve, use, build upon, operate, maintain, convey, sell, lease, exchange, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

07/29/2003  
Special Number: 920475  
Amount Paid: \$22.00

07-29-03 12:13 RCVD

(e) Make contracts and incur liabilities, borrow money and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(f) Dedicate, sell, transfer, or grant easements over all or any part of any Association Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be set forth in the Declaration;

(g) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, or annex additional property to the property managed by the Association; and

(h) Have and exercise any and all powers, rights, and privileges which a corporation organized under the Utah Non-Profit and Co-operative Association Act by law may now or hereafter have or exercise.

#### ARTICLE IV

#### MEMBERS AND MEMBERSHIP

1. Non-Stock Corporation. Participation in management and ownership of the Association shall be by membership only. The Association shall issue no stock and shall have no shareholders.

2. Membership. The Association shall have voting members. The Owner of a Unit shall automatically, upon becoming an Owner, be a voting member of the Association, and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership shall be in accordance with these Articles of Incorporation and the Bylaws of the Association.

3. Transferred Membership. Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Unit to which it is appurtenant, and then only to the new Owner. Any attempt to make a prohibited transfer is void. In the event the Owner of any Unit should fail or refuse to transfer the membership registered in his name to the purchaser of his Unit, the Association shall have the right to record the transfer upon its books and thereupon the old membership outstanding in the name of the seller shall be null and void.

4. Classes of Membership. The Association shall have two (2) classes of voting membership established according to the following provisions:

(a) Class A Membership. Class A membership shall be that held by each Owner of a Unit other than IRONWOOD PARTNERS OF UTAH, LLC, a Utah limited liability company (the "Declarant"), and each Class A Member shall be entitled to one (1) vote for each square foot of a Unit owned as more specifically set forth in Exhibit "B" of the Declaration, as the same may be amended pursuant to any expansion of the Development. If a Unit is owned by more than one (1) person, each such person shall be a member of the Association, but there shall be no more than one (1) vote for each square foot of a Unit, and all the votes for any particular Unit must be exercised together and may not be further subdivided among multiple owners of the same Unit.

(b) Class B Membership. Class B membership shall be that held by the Declarant (or its successor-in-interest) who shall be entitled to three (3) votes for each square foot of a Unit owned by Declarant, as more specifically set forth in Exhibit "B" to the Declaration, as the same may be amended from time to time pursuant to any expansion of the Development; provided that Class B membership shall be converted to Class A membership and shall forever cease to exist on the occurrence of whichever of the following is first in time:

(1) on the sixth anniversary of the recordation of the Declaration; or


(2) after Units to which three-fourths (3/4) of the undivided interest in the Common Areas appertain have been conveyed to Owners, or after all the Additional Land has been added to the Development, whichever last occurs.

5. Limitation of Payment to Dissenting Member. Except upon dissolution of the Association, a dissenting member shall not be entitled to any return of any contribution or other interest in the Association.

#### ARTICLE V

##### INITIAL PRINCIPAL OFFICE AND AGENT

The initial principal office of the Association shall be at 1447 Rio Grande, Park City, Utah 84098, which office may be changed at any time by the Board of Trustees without amendment of these Articles. The initial registered agent at such address shall be Matthew T. Mullin. The undersigned does hereby agree to act as registered agent.

  
Matthew T. Mullin, Registered Agent

#### ARTICLE VI

##### BOARD OF TRUSTEES; INCORPORATOR

The affairs of this Association shall be managed initially by a Board of three (3) Trustees, who need not be members of the Association, until conversion of Class B memberships to Class A, after which time all Trustees must be members of the Association. The number of Trustees may be changed by amendment of the Bylaws of the Association. The names and address of the individuals, who shall act as the initial Trustees of the Association until the selection of their successors, are:

##### Name

Jacek Koson  
0321 Elk Horn Dr.  
Bachelor Gulch, Colorado 81620

Matthew T. Mullin  
1447 Rio Grande  
Park City, Utah 84098

Will Lange  
2200 Park Ave., B  
Park City, Utah 84060

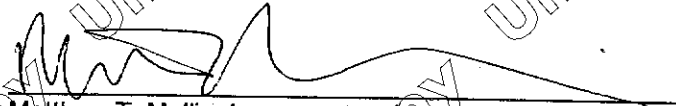
The name and address of the incorporator of the Association is:

Matthew T. Mullin  
1447 Rio Grande  
Park City, Utah 84098

ARTICLE VII  
DISSOLUTION

In the event of the dissolution, liquidation, or winding up of the Association, after paying or adequately providing for the debts and obligations of the Association, the Trustees or persons in charge of the liquidation shall divide the remaining assets among the members of the Association in accordance with their respective rights thereto.


For the purpose of forming this Association under the laws of the State of Utah, the undersigned, as the incorporator of this Association, has executed these Articles of Incorporation on the July day of 2003.

  
Matthew T. Mullin, Incorporator

STATE OF UTAH )

County of Summit )  
ss.

On this 24<sup>th</sup> day of July, 2003, personally appeared before me MATTHEW T. MULLIN, being first duly sworn on oath, deposes and says that he has read the foregoing Articles of Incorporation, knows the contents thereof, and believes the same to be true, and acknowledged to me that he executed the same.

  
Notary Public in and for the State of Utah  
Residing at  
Commission expires: January 2, 2007

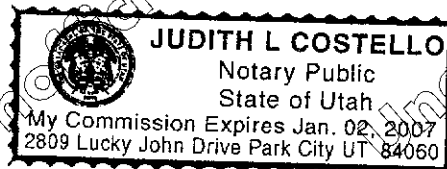


EXHIBIT "E"  
BYLAWS OF  
IRONWOOD HOA, INC.

BYLAWS OF  
IRONWOOD HOA INC.

ARTICLE 1  
PLAN OF DEVELOPMENT

1.1 Name and Location. The name of the owners association ("Association") is IRONWOOD HOA INC. The principal office of the Association shall be in Summit County, Utah.

1.2 Application to Development. The provisions of these Bylaws are applicable to the residential condominium development project known as IRONWOOD AT DEER VALLEY, located in Park City, Summit County, Utah. All present and future Owners, and their tenants, future tenants, employees, and any other person who might use the facilities of the Development in any manner, are subject to the regulations set forth in these Bylaws, in the Articles of Incorporation for the Association, and in the Declaration Of Covenants, Conditions, Restrictions and Easements Of Ironwood At Deer Valley, A Utah Expandable Condominium Project ("Declaration") recorded or to be recorded in the office of the Summit County Recorder, and applicable to the Development. The mere acquisition or rental of any Unit in the Development, or the mere act of occupancy of any Unit will signify that these Bylaws are accepted, ratified, and will be observed.

1.3 Meaning of Terms. Unless otherwise specifically provided herein, the definitions contained in the Declaration are incorporated in these Bylaws by reference.

ARTICLE 2  
MEMBERSHIP, MEETINGS AND VOTING RIGHTS

2.1 Classes of Members. The Association shall have two (2) classes of voting membership established according to the Articles.

2.2 Voting Requirements. Except when otherwise expressly provided in the Declaration, the Articles or these Bylaws, any action by the Association which must have the approval of the Association membership before being undertaken shall require the vote or written assent of the prescribed percentage of the total voting power of the Association. Except as otherwise specifically stated in the Articles or the Declaration, the vote of at least sixty-seven percent (67%) of a quorum present at any meeting (in person or by proxy) shall constitute the vote of the members of the Association, or the written consent of at least sixty-seven percent (67%) of the Associations membership shall be sufficient to take action without a meeting.

2.3 Quorum. The presence in person or by proxy of at least fifty-one percent (51%) of the total voting power of the Association shall constitute a quorum at any meeting duly called and noticed. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

2.4 Proxies. At all meetings of the Association, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. All proxies shall be valid only for the meeting for which the proxies are given (including any reconvened meeting in the event of an adjournment) unless provided otherwise in the proxy. Every proxy shall be revocable and shall automatically cease upon receipt of notice by the Secretary of the Board of the death or judicially declared incompetence of the issuing member.

2.5 Annual Meetings. Regular annual meetings of the members of the Association shall be held not less frequently than once each calendar year at the Development or such other suitable place convenient to the members as may be designated by the Board. Unless otherwise determined by the Board, the annual meeting shall be held in the first week of each August.

2.6 Special Meetings. A special meeting of members of the Association may be called by the President or by the Board (upon the vote for such a meeting by a majority of a quorum of the Board). A special meeting shall be called by the Board upon receipt of a written request therefor signed by members representing not less than twenty-five percent (25%) of the total voting power of the Association or by members representing not less than fifteen percent (15%) of the voting power residing in members other than Declarant.

2.7 Notice and Location of Meetings. At the direction of the President, the Secretary, or the officers or persons calling a meeting, written notice of regular and special meetings shall be given to all members in the manner specified for notices under these Bylaws. Such notice shall specify the place, day, and hour of the business to be undertaken, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except in the case of an emergency, at least ten (10) days notice (but not more than fifty (50) days notice) of any meeting shall be provided prior to the meeting. Meetings of the Association shall be held within the Development or at a meeting place as close thereto as possible. Notice shall also be delivered to any institutional lender filing a written request with the Association, and any such lender shall be permitted to designate a representative to attend all such meetings.

2.8 Adjournment. In the absence of a quorum at a meeting of the members of the Association, a majority of those present in person or by proxy may adjourn the meeting to another time, but may not transact any other business. An adjournment for lack of a quorum shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. The quorum for such a reconvened meeting shall be twenty-five percent (25%) of the total voting power of the Association.

2.9 Action Without Meeting. Any action which may be taken at a meeting of the Association's members may be taken without a meeting if a consent, in writing, setting forth the action so taken, is signed by the larger of sixty-seven percent (67%) of the voting power of the Association or the percentage vote specifically required for a given action in the Declaration, the Articles or these Bylaws.

2.10 Rules of Meetings. Except as otherwise provided in these Bylaws, the Articles or the Declaration, all meetings of the Association's members shall be governed by Roberts Revised Rules of Order.

2.11 Commencement of Voting Rights. Voting rights attributable to any Unit shall not vest until an assessment has been levied against that Unit by the Association.

2.12 Suspension of Voting Rights. Voting rights attributable to any Unit shall be automatically suspended for any period during which any Owner of such Unit is delinquent in the payment of Assessments. Any votes cast by such delinquent Owner shall be deemed void *ab initio* and the votes attributable to such Unit shall not be transferred, assigned or exercised by proxy.

### ARTICLE 3

#### BOARD OF TRUSTEES

3.1 Number and Term of Trustees. The Board shall consist of three (3) Trustees, each of whom shall be a Unit Owner or an agent of Declarant (while Declarant remains a Unit Owner). The Trustee shall serve a non-consecutive term of three (3) years. Provided, however, the terms of the Trustees shall be staggered, allowing for the rotation of a new Trustee onto the Board each year. In order to accommodate the foregoing, the first Board shall consist of one Trustee who shall have a one-year term; one Trustee who shall have a two-year term, and one Trustee who shall have a three-year term. Accordingly, as the original Board rotates, the successor Trustees shall serve a full three-year term. The initial Trustees, as identified in the Articles, or their duly elected replacements, shall serve until the first meeting of the Association; thereafter, all Trustees shall be elected and removed according to these Bylaws. Notwithstanding any provision to the contrary contained in this Article 3, Declarant shall have the sole power and authority during its initial period of control to appoint and remove the members of the Board of Trustees.

3.2 Election of Board of Trustees. Nominations for election to the Board of Trustees may be made from the floor at the annual meeting of the Association. Additionally, the Board may appoint a Nominating



Committee, which shall consist of a Chairman, who shall be a member of the Board of Trustees, and two (2) or more members of the Association. If the Board determines to appoint a Nominating Committee, the Committee shall be appointed at least ninety (90) days prior to each annual meeting of the members, to serve until the close of such annual meeting, and shall make as many nominations for election to the board of Trustees as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled. Elections of Board members shall be by secret written ballot. Trustees who are Unit Owners and who are delinquent in the payment of Assessments are not eligible to be elected or appointed to serve on the Board of Trustees. Any attempt to elect such a delinquent Owner to such office shall be void *ab initio*. In the event that any Owner who is a Trustee of the Association becomes delinquent during his or her term of service, such Owner shall automatically be removed from such office and the vacancy filled pursuant to the terms hereof as if the Trustee had resigned. If such removed Owner regains good standing after being removed, he or she shall not be reinstated in his or her former position, but shall be eligible to be elected again at the next duly held election.

**3.3 Removal.** Unless the entire Board is removed from office by the vote of Association members, and except as required by Section 3.2 above, an individual Trustee shall not be removed prior to the expiration of his term of office if the number of votes cast against his removal is equal to or greater than the number of votes required to elect such Trustee. Notwithstanding the foregoing, Trustees appointed by Declarant may not be removed by a vote of the members during Declarant's initial control period without Declarant's written consent.

**3.4 Vacancies.** Vacancies in the Board caused by any reason other than the removal of a Trustee by the voting in of a replacement by the members shall be filled by vote of the majority of the remaining Trustees, and each person so elected shall be a Trustee for the remainder of the term of the Trustee he replaces, or until a successor is elected at a special meeting of the members called for that purpose.

**3.5 Regular Meetings.** Regular meetings of the Board shall be conducted at least annually within ten (10) days of the annual meeting of the Association, and shall be held within the Development (or at such other place as may be convenient to all Board members). Notice of the time and place of regular meetings shall be given to each Trustee, personally or by mail, telephone or telegraph, at least five (5) days prior to the day named for the meeting, and shall be posted at a prominent place or places within the Development.

**3.6 Special Meetings.** A special meeting of the Board may be called by written notice signed by the President of the Association or by any two (2) Trustees other than the President. Notice shall be provided to all Trustees and posted within the Development in the manner prescribed for notice of regular meetings, and shall include a description of the nature of any special business to be considered by the Board. At the discretion of the Board, Special Meetings may be conducted by teleconference, provided the teleconference has been duly noticed as provided in this Article 3.

**3.7 Waiver of Notice.** Before, at, or after any meeting of the Board, any Trustee may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice to that Trustee. Attendance by a Trustee at any meeting of the Board shall be a waiver of notice by him of the time and place of the meeting, except where such attendance is for the limited and express purpose of objecting to the transaction of any business at the meeting because the meeting is not lawfully called or convened.

**3.8 Quorum.** The presence in person of a majority of the Trustees at any meeting of the Board shall constitute a quorum. The vote of a majority of the quorum actually present at any meeting shall constitute the vote of the Board unless expressly provided to the contrary in these Bylaws, or any future amendment thereto.

**3.9 Action by Consent of Trustees.** Any action which may be taken by the Board of Trustees may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action.

**3.10 Adjournment: Executive Session.** The Board may, with the approval of a majority of a quorum of the Trustees, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

3.11 Board Meetings Open to Members. Regular and special meetings of the Board shall be open to all members of the Association; provided, however, that Association members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board.

3.12 Declarant's Initial Control Period.

Notwithstanding any provision to the contrary contained in these Bylaws, the Articles of Incorporation for Ironwood At Deer Valley or the Declaration, there is hereby established a period of Declarant control of the Association, during which period Declarant or persons designated by it shall have the authority to appoint and remove the Association officers and members of the Board of Trustees. The period of Declarant control shall terminate no later than the earlier of:

- (a) on the sixth anniversary of the recordation of the Declaration; or
- (b) after Units to which three-fourths (3/4) of the undivided interest in the Common Areas appertain have been conveyed to Owners, or after all the Additional Land has been added to the Development, whichever last occurs.

## ARTICLE 4

### POWERS AND DUTIES OF THE BOARD OF TRUSTEES

4.1 Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association. Without limitation on the generality of the foregoing powers and duties, the Board shall be vested with, and responsible for, the following powers and duties:

4.1.1 To select, appoint, supervise, and remove all officers, agents and employees of the Association; to prescribe such powers and duties for them as may be consistent with law, and with the Articles, the Declaration and these Bylaws; and to require from them security for faithful service when deemed advisable by the Board;

4.1.2 To enforce the applicable provisions of the Declaration, Articles, these Bylaws and other instruments relating to the ownership, management and control of the Development;

4.1.3 To adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish procedures and penalties for the infraction thereof, subject to approval of the membership;

4.1.4 To pay all taxes and assessments which are, or could become, a lien on any Common Area or a portion thereof;

4.1.5 To contract for casualty, liability and other insurance on behalf of the Association as required or permitted in the Declaration;

4.1.6 To cause any Common Area to be maintained and to contract for goods and/or services for any Common Area or for the Association, subject to the limitations set forth in these Bylaws;

4.1.7 To delegate its powers to committees, officers or employees of the Association, or to a management company pursuant to a written contract, as expressly authorized by these Bylaws;

4.1.8 To keep complete and accurate books and records of the receipts and expenditures of the Association (relating to the Common Area and otherwise), specifying and itemizing the maintenance and repair expenses incurred, and to prepare budgets and financial statements for the Association as required in these Bylaws in accordance with good accounting procedures; to provide for independent audits as required by law and these Bylaws;

4.1.9 To initiate and execute disciplinary proceedings against members of the Association for violations of the provisions of the Articles, Declaration, these Bylaws and such rules as may be promulgated by the Board, in accordance with procedures set forth in these Bylaws;

4.1.10 To enter upon any privately owned Unit as necessary in connection with construction, maintenance or emergency repair for the benefit of the Development or the Owners;

4.1.11 To fix and collect regular and special assessments according to the Declaration and these Bylaws, and, if necessary, to record a notice of assessment and foreclose the lien against any Unit for which an assessment is not paid within thirty (30) days after the due date, or bring an action at law against the Owner personally obligated to pay such assessment;

4.1.12 To prepare and file annual tax returns with the federal government and to make such elections as may be necessary to reduce or eliminate the tax liability of the Association.

4.2 Limitation on Board's Power. Except with the vote or written assent of a majority of the voting power of the Association, the Board shall be prohibited from taking any of the following actions:

4.2.1 Incurring aggregate expenditures for capital improvements to any Common Area in any fiscal year in excess of the limits set forth in the Declaration.

4.2.2 Selling during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

4.2.3 Paying compensation to Trustees or to officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board may cause a Trustee or officer to be reimbursed for expenses incurred in carrying on the business of the Association.

4.2.4 Entering into a contract with a third person wherein the third person will furnish goods or services for the Common Area or the Association for a term longer than one (1) year with the following exceptions:

(a) A contract with a public utility company if the rates charged for the materials or services are regulated by government authority, provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;

(b) Prepaid casualty and/or liability insurance policies not to exceed three (3) years duration, provided that the policy permits for short rate cancellation by the insured;

Any agreement for professional management of the Development or any other contract providing for services by Declarant shall provide for termination by either party without cause and without payment of a termination fee on thirty (30) days or less written notice and shall provide for a maximum contract term of one (1) year.

## ARTICLE 5

### OFFICERS

5.1 Enumeration and Term. The officers of this Association shall be a President, Vice-President, Secretary, and Treasurer, and such other officers as the Board may, from time to time, by resolution create. The officers shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

5.2 Election of Officers. The election of officers shall take place at the first meeting of the Board of Trustees following each annual meeting of the members of the Association. Unit Owners who are delinquent in the payment of Assessments are not eligible to be appointed to serve as officers of the Association. Any attempt to appoint such a delinquent Owner to such office shall be void *ab initio*. In the event that any Owner who is an officer of the Association becomes delinquent during his or her term of service, such Owner shall automatically be removed from such office and the vacancy filled pursuant to the terms hereof as if such officer had resigned. If such removed Owner regains good standing after being removed, he or she shall not be reinstated in his or her former position, but shall be eligible to be appointed again at the next duly held meeting at which officers may be appointed.

5.3 Resignation and Removal. Any officer may be removed from office by a majority of the Board at any time with or without cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Notwithstanding the foregoing, officers appointed by Declarant or Declarant's agent(s), may not be removed from his or her term of office by anyone other than Declarant during Declarant's initial control period.

5.4 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

5.5 Multiple Offices. Any two or more offices may be held by the same person, except the offices of President and Secretary.

5.6 Duties. The duties of the officers are as follows:

5.6.1 President. The President shall preside at all meetings of the Board of Trustees; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks (unless the authority to sign checks in the ordinary course of Association business has been delegated to a management company as provided in these Bylaws) and promissory notes.

5.6.2 Vice-President. The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

5.6.3 Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

5.6.4 Treasurer. The Treasurer shall receive and deposit, in appropriate bank accounts, all monies of the Association and shall disburse such funds as directed by resolution of the Board of Trustees; shall co-sign all checks and promissory notes of the Association; and shall keep proper books of account and prepare or have prepared financial statements as required in these Bylaws. The duty of the Treasurer to receive and deposit funds and to sign checks in the ordinary course of Association business may be delegated to a management company as provided in these Bylaws.

## ARTICLE 6

### DISCIPLINE OF MEMBERS; SUSPENSION OF RIGHTS

The Association shall have no power to cause a forfeiture or abridgment of an Owner's right to the full use and enjoyment of his individually owned Unit on account of a failure by the Owner to comply with provisions of the Declaration, Articles, these Bylaws, or of duly enacted rules of operation for the Common Area and facilities, except where the loss or forfeiture is the result of the judgment of a court or a decision arising out of

arbitration or on account of a foreclosure or sale under a power of sale for failure of the Owner to pay assessments levied by the Association. Notwithstanding the foregoing, the Board shall have the power to impose monetary penalties, temporary suspensions of an Owner's rights as a member of the Association or other appropriate discipline for failure to comply with the Declaration, Articles, these Bylaws or duly enacted rules; provided that the accused shall be given notice and the opportunity to be heard by the Board with respect to the alleged violations before a decision to impose discipline is reached. In the case in which monetary penalties are to be imposed, such penalties shall include actual attorneys' fees and all costs in connection with the collection of such penalties.

## ARTICLE 7

### BUDGETS, FINANCIAL STATEMENTS, BOOKS AND RECORDS

7.1 Budgets and Financial Statements. Financial statements and pro forma operating budgets for the Association shall be regularly prepared (at least annually) and copies shall be distributed to each member of the Association. All books and records shall be audited at least annually.

7.2 Fiscal Year. The fiscal year of the Association shall be as designated by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

7.3 Inspection of Association's Books and Records. The membership register, books of account, vouchers authorizing payments, and minutes of meetings of the members, of the Board, and of committees of the Board of the Association shall be made available for inspection and copying by any member of the Association, or by his duly appointed representative, at any reasonable time and for a purpose reasonably related to his interest as a Member, at the office of the Association or at such other place within or near the Development as the Board shall prescribe. Such inspection may take place of weekdays during normal business hours, following at least forty-eight (48) hours written notice to the Board by the Member desiring to make the inspection. Any member desiring copies of any document shall pay the reasonable cost of reproduction. Every Trustee shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Trustee includes the right to make extracts and copies of documents.

## ARTICLE 8

### AMENDMENT OF BYLAWS

Except as otherwise provided in the Act, the Declaration or these Bylaws, these Bylaws may be amended at any time and in any manner by the vote or written assent of a majority of a quorum of the total voting power of the Association; provided, however, that the percentage of the voting power necessary to amend a specific clause or provision herein shall not be less than the percentage of affirmative votes prescribed for action to be taken under said clause or provision; and provided further, that any such amendment shall not be inconsistent with the remaining Development Documents or the law. Within six (6) years from the date of recording the Declaration, and so long as the Declarant is the Owner of any Unit or part of the Development, these Bylaws may not be amended or terminated without the written approval of the Declarant. Notwithstanding any provision to the contrary contained herein, Declarant reserves the right, without the consent of any other Owners, to amend any provisions of these Bylaws to comply with the then existing statutes, regulations or other requirements of any federal, state or local regulatory authority affecting the Development.

ARTICLE 9

MISCELLANEOUS PROVISIONS

9.1 Regulations. All Owners, tenants, or their employees, or any other person that might use the facilities of the Development in any manner, are subject to the regulations set forth in these Bylaws and in the Development Documents and to all reasonable rules enacted pursuant to the Declaration. Acquisition, rental, or occupancy of any Unit shall constitute acceptance and ratification of the provisions of all such rules and regulations.

9.2 Compensation and Indemnity of Officers and Trustees. No Trustee or officer shall receive any loan from the Association, or shall receive any compensation for services rendered for or on behalf of the Association, except reimbursement according to Article 6 of these Bylaws. To the maximum extent permitted by law, each Trustee and officer shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him by judgment or settlement in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Trustee or officer of the Association, except in cases of fraud, gross negligence or bad faith of the Trustee or officer in the performance of his duties.

9.3 Committees. The Board may, by resolution, designate one or more committees, each of which shall include at least two (2) of the Trustees, and which shall have such powers to act on behalf of the Board as may be set forth in the resolution, subject to prohibitions or limitations imposed by law.

9.4 Notices. Any notice permitted or required to be given by the Development Documents may be delivered whether personally or by mail or as otherwise specifically provided in the Development Documents. If delivery is by mail, it shall be deemed to have been given upon deposit thereof in the United States mail, postage prepaid, addressed to each person at the current address given by such person to the Secretary of the Association or addressed to the Unit of such person if no address has been given to the Secretary.

ADOPTION OF BYLAWS

I, the undersigned duly elected and acting Secretary of IRONWOOD HOA, INC., do hereby certify: That the within and foregoing Bylaws were adopted as the Bylaws of said Association on the 29<sup>th</sup> day of July, 2003 by unanimous written consent of the Board of Trustees and that the same do now constitute the Bylaws of said Association.

EXECUTED by the undersigned on the 29<sup>th</sup> day of July, 2003


  
Matthew T. Mullin, Secretary

EXHIBIT "F"  
EXPANDABLE AREA

**Ironwood At Deer Valley  
Expandable Area 1  
Legal Description**

A parcel of land located in the northwest quarter of Section 28, Township 2 South, Range 4 East, Salt Lake Base and Meridian.

Said parcel also being a portion of Lot C of the Northside Village Subdivision II according to the official plat of record and on file in the office of the Summit County Recorder, Summit County Utah, Recorded as Entry No. 623453 on 6-28-2002 and being more particularly described as follows:

Beginning at a point that is South 00°30'49" East 1002.84 feet along Section Line and East 832.30 feet from the northwest corner of Section 28, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point being on a 325.00 foot radius curve to the right of which the radius point bears South 50°03'04" East, said point also being on the easterly right-of-way line of Marsac Avenue, a dedicated public right-of-way; and running thence northeasterly along the arc of said curve 275.16 feet through a central angle of 48°30'36" along said right-of-way line to a point on a 1,133.33 foot radius compound curve to the right of which the radius point bears South 01°32'28" East; thence easterly along the arc of said curve 143.70 feet through a central angle of 07°15'53" along said right-of-way line; thence South 28°03'21" West 113.89 feet to a point on a 38.50 foot radius non tangent curve to the left of which the radius point bears South 28°03'21" West; thence southwesterly along the arc of said curve 118.47 feet through a central angle of 176°18'46" to a point on a 23.50 foot radius reverse curve to the right of which the radius point bears South 31°44'35" West; thence southeasterly along the arc of said curve 23.45 feet through a central angle of 57°10'11" to a point on a 110.35 foot radius compound curve to the right of which the radius point bears South 88°54'46" West; thence southerly along the arc of said curve 35.99 feet through a central angle of 18°41'04" to a point on a 45.50 foot radius compound curve to the right of which the radius point bears North 72°24'10" West; thence westerly along the arc of said curve 79.81 feet through a central angle of 100°30'00" to a point on a 251.87 foot radius compound curve to the right of which the radius point bears North 28°05'50" East; thence northwesterly along the arc of said curve 122.27 feet through a central angle of 27°48'52" to a point on a 101.50 foot radius reverse curve to the left of which the radius point bears South 55°54'42" West; thence northwesterly along the arc of said curve 99.38 feet through a central angle of 56°06'00"; thence South 89°48'42" West

31.62 feet to a point on a 37.86 foot radius curve to the right, of which the radius point bears North  $00^{\circ}11'18''$  West; thence westerly along the arc of said curve 25.83 feet through a central angle of  $39^{\circ}05'13''$  to a point on a 15.00 foot radius compound curve to the right of which the radius point bears North  $38^{\circ}53'55''$  East; thence northwesterly along the arc of said curve 4.99 feet through a central angle of  $19^{\circ}03'23''$  to the POINT OF BEGINNING.

Containing 51,797.3 square feet or 1.1891 acres, more or less.

00670685

Bk:01564 Pg:01

1311 A



**Ironwood Condominiums  
Expandable Area 2  
Legal Description**

A parcel of land located in the northwest quarter of Section 28, Township 2 South, Range 4 East, Salt Lake Base and Meridian.

Said parcel also being a portion of Lot C of the Northside Village Subdivision II according to the official plat of record and on file in the office of the Summit County Recorder, Summit County Utah, Recorded as Entry No. 623453 on 6-28-2002 and being more particularly described as follows:

Beginning at a point that is South 00°30'49" East 1090.92 feet along Section Line and East 777.18 feet from the northwest corner of Section 28, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point being on a 725.00 foot radius curve to the right of which the radius point bears South 64°09'41" East, said point also being on the easterly right-of-way line of Marsac Avenue, a dedicated public right of way; and running thence northeasterly along the arc of said curve 43.02 feet through a central angle of 03°23'59" along said right-of-way line to a point on a 325.00 foot radius compound curve to the right of which the radius point bears South 60°45'42" East; thence northeasterly along the arc of said curve 30.36 feet through a central angle of 05°21'06" along said right-of-way line to a point on a 15.00 foot radius non tangent curve to the right of which the radius point bears South 23°17'59" West; thence southeasterly along the arc of said curve 4.08 feet through a central angle of 15°35'57" to a point on a 66.86 foot radius reverse curve to the left of which the radius point bears North 38°53'55" East; thence easterly along the arc of said curve 45.61 feet through a central angle of 39°05'13"; thence North 89°48'42" East 31.62 feet to a point on a 72.50 foot radius curve to the right of which the radius point bears South 00°11'18" East; thence southeasterly along the arc of said curve 70.99 feet through a central angle of 56°06'00" to a point on a 280.87 foot radius reverse curve to the left of which the radius point bears North 55°54'42" East; thence southeasterly along the arc of said curve 136.35 feet through a central angle of 27°48'52" to a point on a 74.50 foot radius compound curve to the left of which the radius point bears North 28°05'50" East; thence southeasterly along the arc of said curve 9.58 feet through a central angle of 07°22'15"; thence South 18°50'15" West 114.69 feet to a point on a 45.00 foot radius non tangent curve to the left of which the radius point bears South 50°51'45" West; thence westerly along the arc of said curve 68.04 feet through a central angle of 86°37'58"; thence North 40°13'27" West 126.16 feet; thence North 51°01'37" West 132.30 feet to the POINT OF BEGINNING.

The above description contains 33,584.69 square feet or 0.7710 acres, more or less.

CC&Rs Ironwood 6.10.03 (PDC)

00670685 Bk01564 Pg0132 131B